

MIDTOWN AFFORDABLE HOUSING PLAN SEPTEMBER 2017



ccppi



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1 EXECUTIVE SUMMARY

The Midtown Redevelopment Authority (MRA), which administers Tax Increment Reinvestment Zone #2, has purchased hundreds of tracts of land in Southeast Houston for the purpose of leveraging the production of affordable housing. This housing will be occupied by low-moderate income households of all ages, household sizes, abilities, and races/ethnicities.

MRA has proceeded with intent and with the knowledge that standard, affordable housing enhances quality of life and wellness, improves the economic prospects of its occupants, and stabilizes and revitalizes neighborhoods. Thus, MRA has engaged the Center for Civic and Public Policy Improvement to provide oversight for the preparation of the **Midtown Affordable Housing Plan** (Plan), which will guide the *Southeast Houston Affordable Housing Initiative*.

The Plan, which is an evergreen document that will evolve over time, incorporates:

- An analysis of existing conditions in the study area
- Market data
- Affordability analyses
- Design concepts that informed the preparation of a Development Program
- A Development Program that includes proposals for the types and number of units, as well as the number of stories (or levels) each development is proposed to have
- Strategies for implementing a systematic approach to the delivery of affordable housing units.

HIGHLIGHTS – SOUTHEAST HOUSTON AFFORDABLE HOUSING INITIATIVE

Land acquired by the Midtown Redevelopment Authority will be provided at nominal cost to housing sponsors (defined herein as for-profit and nonprofit entities that develop housing), with the stipulation that affordable housing be constructed on it. The *Southeast Houston Affordable Housing Initiative* will serve families, students, faculty, singles, seniors, persons with special needs, veterans, and others. Households that require permanent or transitional housing will be served.

Households with incomes from less than 30% to 120% of Area Median Income will be served. Area median income is \$71,500.

The housing prototypes proposed for inclusion in the Development program are: multi-family high density (50+ units), mixed-use multi-family high density with commercial (50+ units with commercial development on the ground floor), multi-family medium density (26-49 units), multi-family low density (10-25 units), multi-family very low-density (triplexes, 4-plexes, 6-plexes, and 8-plexes), duplexes, and single family detached units.

Catalyst projects located in the Emancipation Avenue Mixed-Use District (also referred to herein as Revive Emancipation!), will jumpstart the revitalization process embodied in the Plan.

STUDY AREA

The study area covers 10 square miles. It has been divided into seven sectors for manageability as relates to analysis and programming. These sectors are Northwest Third Ward (which includes the Emancipation Avenue Mixed-Use District *aka* Revive Emancipation!), North Central Third Ward, Northeast Third Ward, Third Ward South of Alabama, MacGregor, North of Griggs, and South of Griggs. (**Figure 1** depicts the boundaries of these sectors.) The unique characteristics of each of these sectors have been identified; community character is the term used to encompass these characteristics.

ELIGIBLE HOUSEHOLDS

The 2017 Area Median Income (AMI) for Houston is \$71,500. The Plan targets households with household income ranging from 30% of AMI to 120% of AMI. According to the U. S. Department of Housing and Urban Development (D-HUD), households that pay more than 30% of their income for housing are cost burdened. The objective of the *Southeast Houston Affordable Housing Initiative* is to deliver housing units at a cost that does not burden households that benefit from the initiative.

DEVELOPMENT PROGRAM

The core of this data-driven Plan is a Development Program. The program is the result of the examination of each tract of land owned by MRA as of the date of the study, resulting in a recommendation for which housing prototype would be the best fit for the tract, a recommendation as to how many units should be placed on the tract, and a recommendation as to how many stories (or levels) should be in each development. The design characteristics of nearby housing, community character alluded to above, and the size of the tract underlie these recommendations. For example, if a MRA-owned tract is proximate to very low-density development (3-8 units), the team has typically recommended a low-density prototype for that tract.

BY THE NUMBERS

Development goal: 257 for-sale units

Development goal: 2,504 rental units

Estimated Cost of the Development Program: \$314,723,400

The crafting of the Development Program required a balancing of objectives. These objectives were (1) to maximize the number of units that could be placed on MRA-owned tracts in order to serve the maximum number of low-moderate income households, given the dire need that exists, (2) to avoid proposing the construction of housing prototypes that are higher in density than surrounding development so as to preserve community character, and (3) to place high density developments near major transportation arteries and METRORail Purple Line transit stations whenever feasible.

PATHWAYS TO SUCCESS

The *Southeast Houston Affordable Housing Initiative* that is embodied in this Plan will address the affordable housing needs of diverse populations. Below is a summary of the recommendations that represent pathways to success.

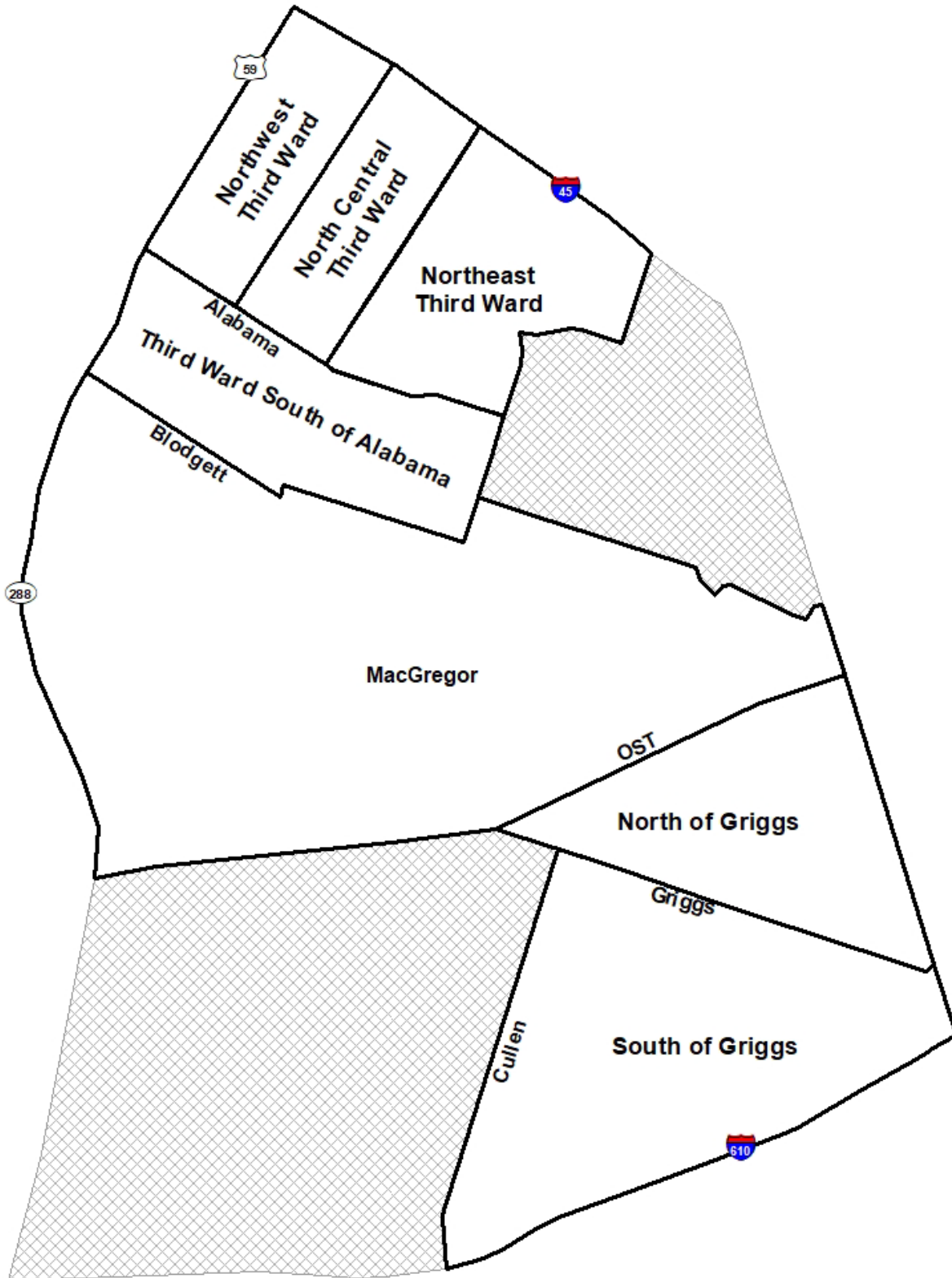
- Adopt a systematic approach to implementation of the *Southeast Houston Affordable Housing Initiative* that is embodied in the Midtown Affordable Housing Plan.
- Implement the Development Program discussed in Chapter 7.
- Adopt elements of successful tenant stewardship models.
- Investigate methods for providing for-sale units in a manner that would forestall windfall profits.
- Encourage resident participation in civic life and personal enrichment activities.
- Join with others to support state and policies that amplify support for affordable housing in the study area.
- Continue to work on community school issues.
- Engage with the Complete Communities Task Force.
- Investigate methods for providing for-sale housing in a manner that would forestall windfall profits.

IMPLEMENTATION TIMING

As shown on the timetable in **Chapter 7**, it is anticipated that implementation of the Development Program set forth herein will require at least 10 years. As alluded to previously, implementation would begin with catalyst projects planned for the Emancipation Avenue Mixed-Use District (Revive Emancipation!). The North of Griggs and South of Griggs sectors are also potentially locations for early phase projects. There are shovel-ready projects in the North of Griggs sector and high developer interest in the South of Griggs sector. Lastly, MRA has conveyed land to Habitat for Humanity for single family development in that sector.

There are also opportunities for development to be initiated on small tracts in the early years of plan implementation. The process of carving out small tracts for relatively small sponsors of housing is a practice that is proposed to be continued, enabling these developers to put units on the ground early on.

FIGURE 1: STUDY AREA



2 INTRODUCTION

The **Midtown Affordable Housing Plan** is being prepared for the Center for Civic and Public Policy Improvement (CCPPI) by a team led by Roberta F. Burroughs & Associates. CCPPI is under contract to the Midtown Redevelopment Authority (MRA) to provide oversight for the preparation of the **Midtown Affordable Housing Plan**. The purpose of the Plan is to promulgate a systematic approach to the development of affordable housing on land purchased by MRA for that purpose. The project shall be called the *Southeast Houston Affordable Housing Initiative*, due to where the tracts of land are located.

Construction of affordable housing on MRA-owned land will have a dramatic effect on the revitalization and stabilization of neighborhoods in the study area, particularly those on the north end of the study area. New, standard housing stock will be added to these neighborhoods, resulting in an increase in population. The addition of new households should also have the impact of attracting new commercial/retail development and supporting commercial/retail development planned by CCPPI and others. Also, school enrollment will increase.

Moreover, the affordability of neighborhoods that are rapidly becoming unattainable for low-moderate income families will be preserved. Land that has been purchased by MRA will be leveraged to reduce the cost of affordable housing to the consumer. This is without local precedent on the scale that is planned and possibly without precedent anywhere on this scale.

CCPPI

The Center for Civic and Public Policy Improvement was formed in 2012. Its mission is to promote the advancement of economic opportunities, human rights, and civic improvement by assistance in housing and human services for indigent citizens, as well as voter registration assistance and securing housing for the needy.

MRA

The Midtown Redevelopment Authority/Tax Increment Reinvestment Zone #2 helps property owners to negotiate with potential financiers/developers for the creation of new development projects and provides capital for necessary infrastructure, funding for attractive security enhancing streetscapes, schools, parks, recreation spaces, and hike & bike trails, among other business enhancement activities.

The primary goal is to leverage MRA-owned land to lay a foundation for sound housing for low-moderate income households of all ages, abilities, household sizes, and races/ethnicities. Sound housing enhances quality of life and wellness and also boosts the economic prospects of its occupants.

HIGHLIGHTS - MIDTOWN AFFORDABLE HOUSING INITIATIVE

Land purchased by the Midtown Redevelopment Authority will be provided at nominal cost to housing sponsors with the stipulation that affordable housing be constructed on it. The *Southeast Houston Affordable Housing Initiative* will serve families, students, faculty, singles, seniors, persons with special needs, veterans, and others. Households that require permanent or transitional housing will be served. There is no time limit on how long an occupant(s) can reside in permanent housing; transitional housing stays are of limited duration.

Both renter households and households that desire to purchase will be served. Households with incomes from 30% to 120% of Area Median Income (AMI) will be served. The AMI for the region is \$71,500, as of 2017.

The Development Program includes the following prototypes:

- multi-family high density (50+ units)
- multi-family high-density with commercial (50+ units with commercial)
- multi-family medium density (26-49 units)
- multi-family low density (10-25 units)
- multi-family very low density (triplexes, 4-plexes, 6-plexes, and 8-plexes),
- duplexes
- single family detached units
- micro units (small single family detached units and units in multi-family developments)

The implementation of the Plan will begin with a mixed-use development at the intersection of Emancipation Avenue and Elgin Street that will include 20 units of multi-family housing and approximately 200 multi-family units north of the mixed-use development, all to be located in the Emancipation Avenue Mixed-Use District (*aka Revive Emancipation!*), in the Northwest Third Ward sector.

STUDY METHODOLOGY AND APPROACH

The study team has reviewed precedent plans and best practices to enhance the **Midtown Affordable Housing Plan**. A precedent plan that has been recently completed is the **Houston Southeast Community Plan** sponsored by Greater Southeast Management District, the management district that serves most of the study area. The utility of the **Houston Southeast Community Plan** lies in the fact that it contains neighborhood stabilization and revitalization strategies that complement the goals of the *Southeast Houston Affordable Housing Initiative*. In addition, the **City of Houston Comprehensive Plan 2015-2019** and the **City of Houston Draft 2017 Annual Action Plan** contain useful background information and data pertaining to local affordable housing goals and resources.

The study team has also reviewed the affordable housing plans of other cities and perused other relevant documents, such as developer agreements and housing studies prepared by local and national organizations. Also, the output of the Housing Working Group convened by Local Initiatives Support Corporation-Houston has been reviewed to ascertain perspectives of the local housing practitioners that comprise this group.

Moreover, the interdisciplinary team that prepared the **Midtown Affordable Housing Plan** conducted field research to note the character of the block faces in the neighborhoods in which MRA-owned tracts are located. The style, type, size, building height, and condition of the existing housing stock were observed. Online research supplemented this field work.

3 EXISTING CONDITIONS

This chapter contains a description of the study area and existing conditions therein. It addresses the physical features of the study area, population and housing characteristics, community character, and housing condition.

STUDY AREA

The study area boundaries were drawn to encompass most of the land that is presently owned by the Midtown Redevelopment Authority (MRA). The boundaries are Interstate Highway 45 South on the north, State Highway 288 on the west, Interstate Highway 610 on the south, and Spur 5 on the east. (See **Figure 2**.)

The study area covers approximately 10 square miles. There are approximately 450 tracts of MRA-owned land in the study area.

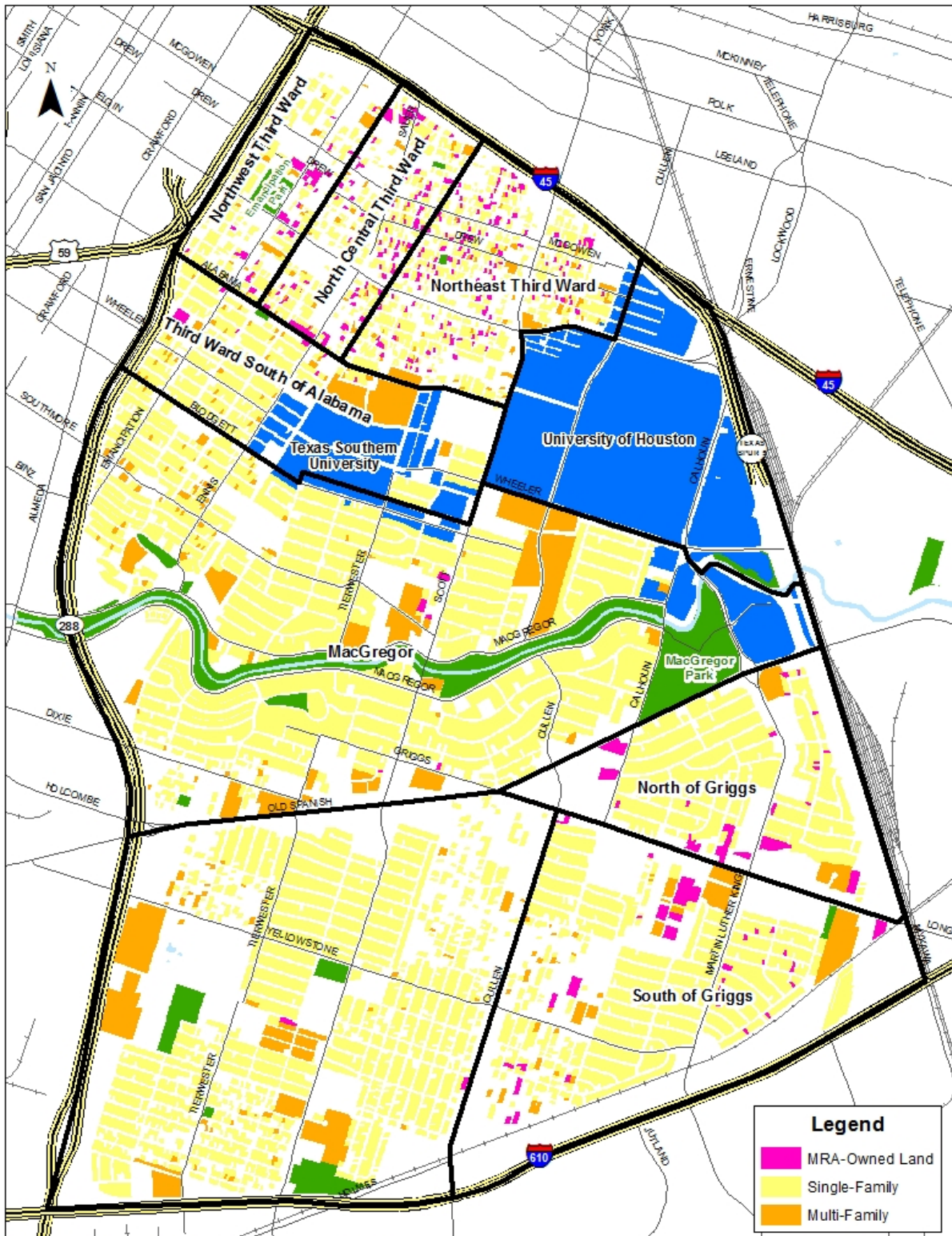
Tracts of land that MRA has acquired comprise roughly 76 acres and vary in size from .03 acre to 2.88 acres. (The study team has proposed the aggregation of some tracts to create larger tracts – the largest aggregated tract would comprise 2.84 acres.)

The boundaries of the OST/Almeda Redevelopment Authority – Tax Increment Reinvestment Zone #7 (TIRZ #7) are part in and part out of the study area, as shown on **Figure 3**. The significance of this is that TIRZ #7 can potentially lend its support to infrastructure improvements needed for multi-family affordable housing developments that are proposed for development within the TIRZ boundary.

Most of the study area sectors are within a Community Development Area. Affordable housing projects within these sectors are therefore likely to be eligible for federal Community Development Block Grant and HOME funds.

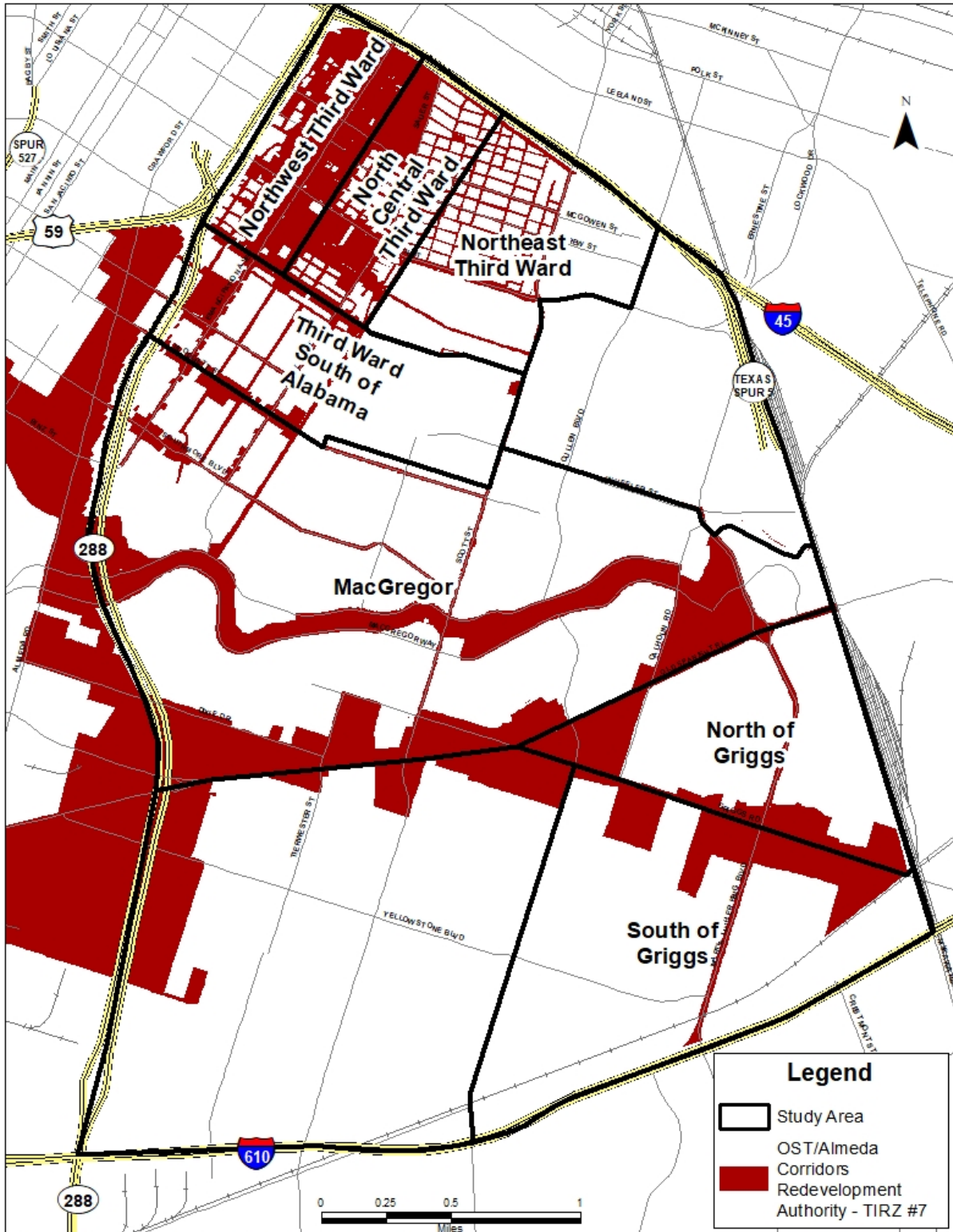
The study area is well situated geographically. There is easy access to employment centers such as Downtown Houston, the Texas Medical Center, and the Port of Houston; to educational institutions; and to an abundance of community facilities and services. The METRORail Purple Line light rail transit facilities on the east side of the study area provide access to employment centers and to essential services.

FIGURE 2: STUDY AREA WITH MRA-OWNED LAND AND SELECTED LAND USES



Source: Harris County Appraisal District, March 2017

FIGURE 3: TIRZ #7 BOUNDARIES WITHIN THE STUDY AREA



Source: OST/Alameda Corridors Redevelopment Authority, 2017

SECTORS

As shown in **Figure 1**, the portion of the study area that contains contiguous neighborhoods where MRA has purchased land has been divided into seven sectors. This enabled the team to ascertain community character and pinpoint demographic and housing characteristics on a more discrete basis. Also, these sectors serve as the basis for the recommended timing of the Development Program.

The sectors are Northwest Third Ward, North Central Third Ward, Northeast Third Ward, Third Ward South of Alabama, MacGregor, North of Griggs, and South of Griggs. Surrounding land uses are shown on this figure for context. (There are only a few MRA-owned tracts of land on the west side of the study area; no sector designation has been applied, so this area is cross-hatched in **Figure 1**. The cross-hatched area on the east side of the map is the University of Houston main campus.)

Houston Mayor Sylvester Turner has selected five communities for a Complete Communities initiative. The sectors that are north of Alabama Street are part of this initiative by virtue of being located in what the initiative identifies as “Third Ward.” The advantage this confers is that the five communities are expected to benefit from targeted revitalization projects.

TOD ZONES

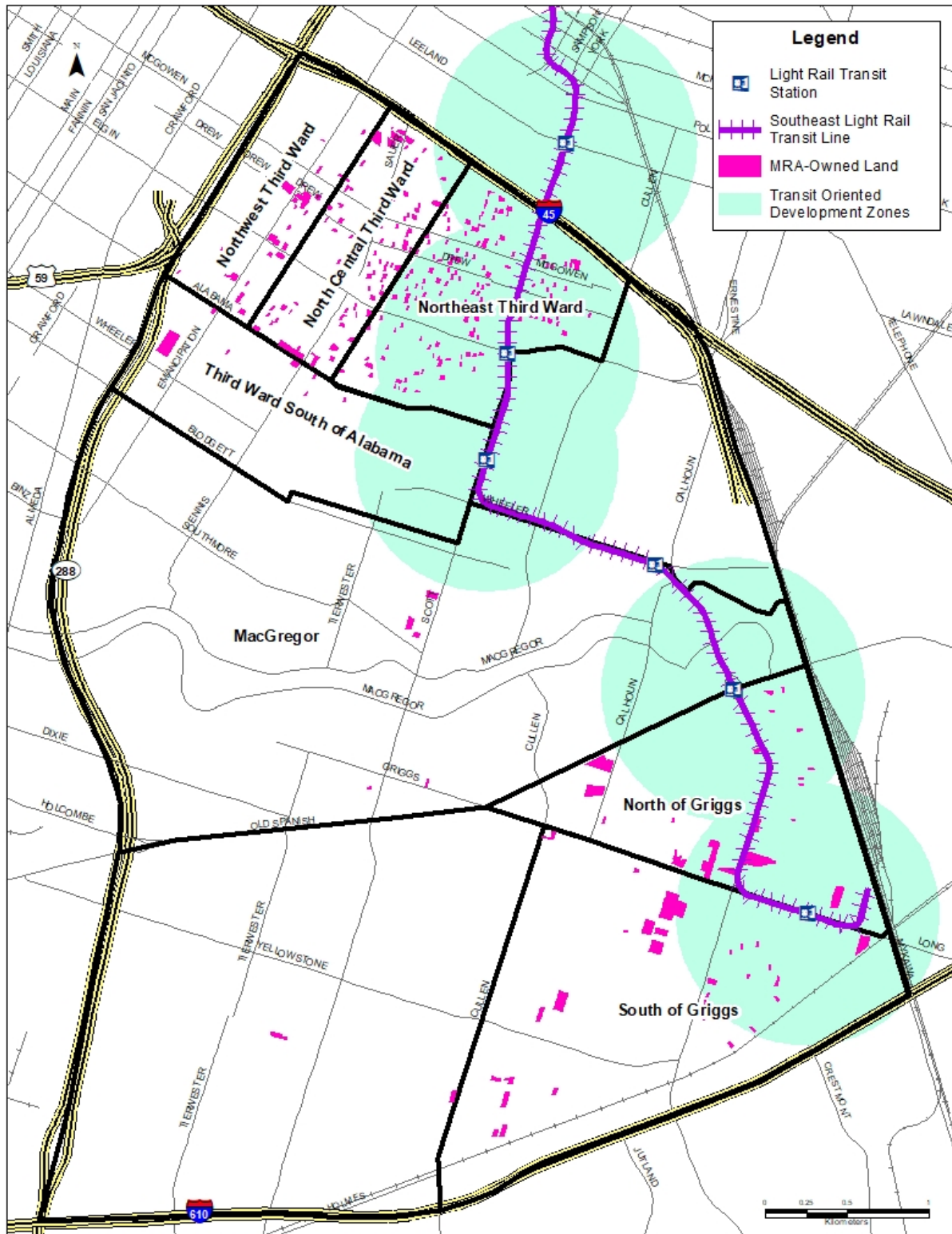
MRA has been intentional in its purchase of land that is proximate to METRORail Purple Line Light Rail Transit stations. Households that occupy the housing built on this land will be positioned to enjoy the benefits of the increased mobility that light rail transit affords.

The study team has identified transit-oriented development (TOD) zones by drawing a one-half mile radius around METRORail Purple Line Light Rail Transit stations. It is expected that housing located within these zones should be particularly attractive to housing sponsors and, ultimately, to housing consumers, due to improved mobility. Also, where tracts can accommodate mixed-use development, structures built on these tracts can include non-residential uses, such as commercial/retail, which is much desired. **Figure 4** identifies the TOD zones that have been identified.

Transit-oriented development (TOD) zones have been identified, as has a mixed-use development zone. These two types of zones overlap in one instance.

In particular, the TOD zones are prime locations for micro units; this is largely reflected in proposed locations for micro units (also referred to as studio apartments). Defined by the Urban Land Institute as units less than 350 square feet in size (proposed to be larger in the Development Program due to the local culture), micro units have been demonstrated to be an effective means of increasing the supply of affordable housing. This prototype is especially suited to tracts in the TOD zones.

FIGURE 4: TOD ZONES



Source: Harris County Appraisal District, March 2017

Emancipation Avenue Mixed-Use District

Within the Northwest Third Ward sector is the Emancipation Avenue Mixed-Use District (referred to also herein as Revive Emancipation!). This district is optimally situated between Interstate Highway 45 South and Elgin Street.

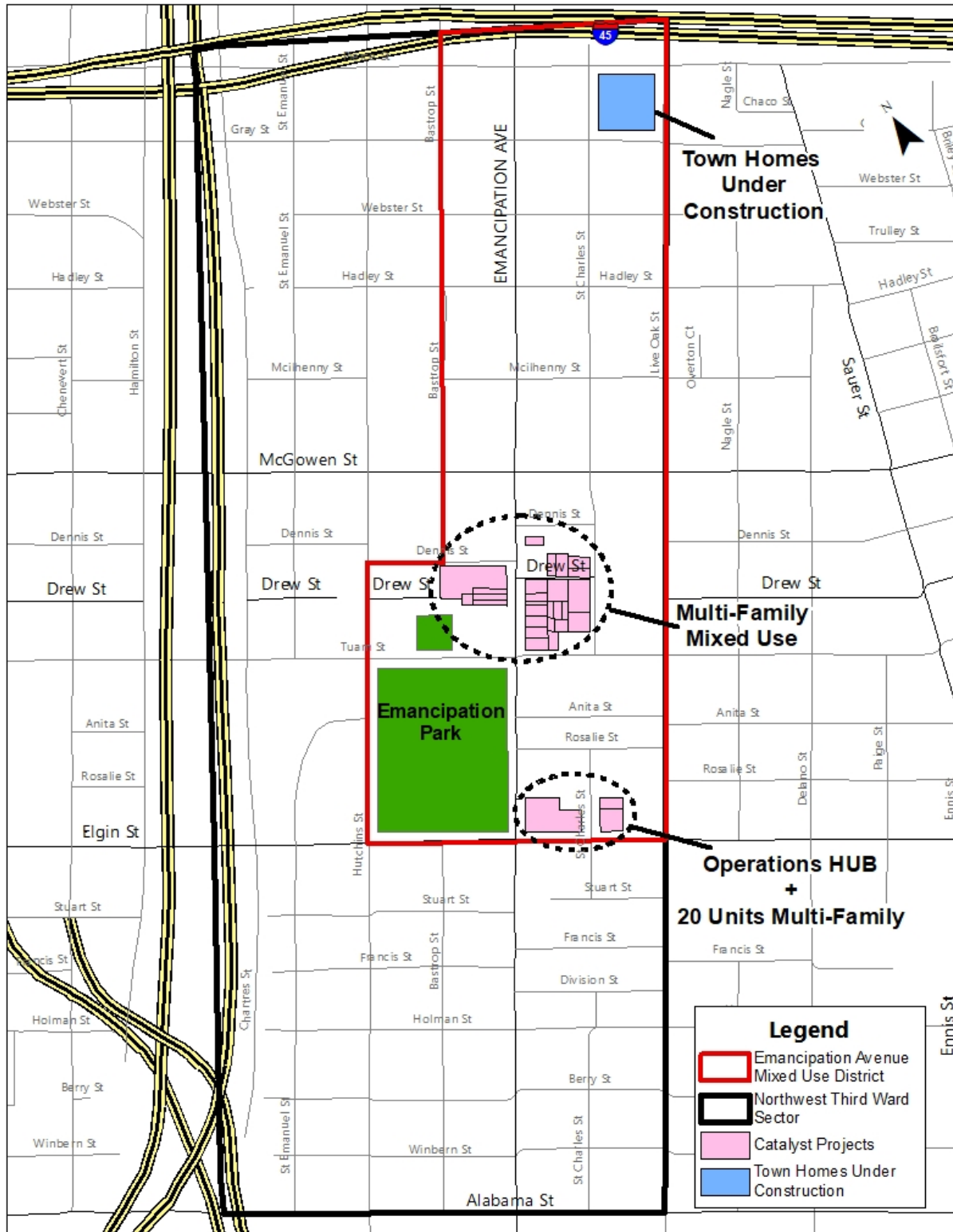
At the northeast corner of Emancipation Avenue and Elgin Street is a MRA-owned tract that has been designated for a multi-level office building with ground floor retail and 20 multi-family units. Also within the district are proximate tracts owned by MRA where there are plans for a roughly 200-unit multi-level, high density multi-family housing development with commercial/retail uses on the ground floor. (See **Figure 5** for locations.) These catalyst projects will demonstrate the impact that new construction can have as relates to neighborhood revitalization and community-building.

Implementation of the *Southeast Houston Affordable Housing Initiative* is proposed to begin in the Revive Emancipation! district with these catalyst projects, since these projects would jumpstart the revitalization/community-building process by showing early and demonstrable results. These projects are certain to generate excitement and interest in the overall *Southeast Houston Affordable Housing Initiative*.

The Emancipation Avenue Mixed-Use District is the ideal location to demonstrate the positive impact that new, affordable housing can have on revitalization efforts. Emancipation Avenue is the former “Main Street” of the historic Third Ward and it is an artery that provides easy access to Downtown Houston, one of the city’s major employment centers. The Center for Civic and Public Policy Improvement (CCPPI) will serve as the anchor tenant of a mixed-use building at the northeast intersection of Emancipation Avenue and Elgin Street. A CCCPP-sponsored Affordable Housing Operations Hub (OPS Hub) will be housed there, as will a “think tank” that advances the mission of CCPPI. This facility will serve as a hub for activities associated with implementation of the *Southeast Houston Affordable Housing Initiative* that is embodied in this Plan, and potentially for citywide affordable housing activities. Services will include housing counseling, workshops for builder/developers, task force meetings, affordable housing seminars, think tank sessions, construction job placement, and more.

As a hub for affordable housing operations, the building will also house housing advocates and housing sponsors; social service agencies that support affordable housing efforts, community development corporations (CDC) and other non-governmental housing organizations, governmental and quasi-governmental organizations that sponsor and advocate for affordable housing, and a think tank that supports the mission of CCPPI. There is also the possibility that much-desired ground floor commercial/retail space will be located in the building.

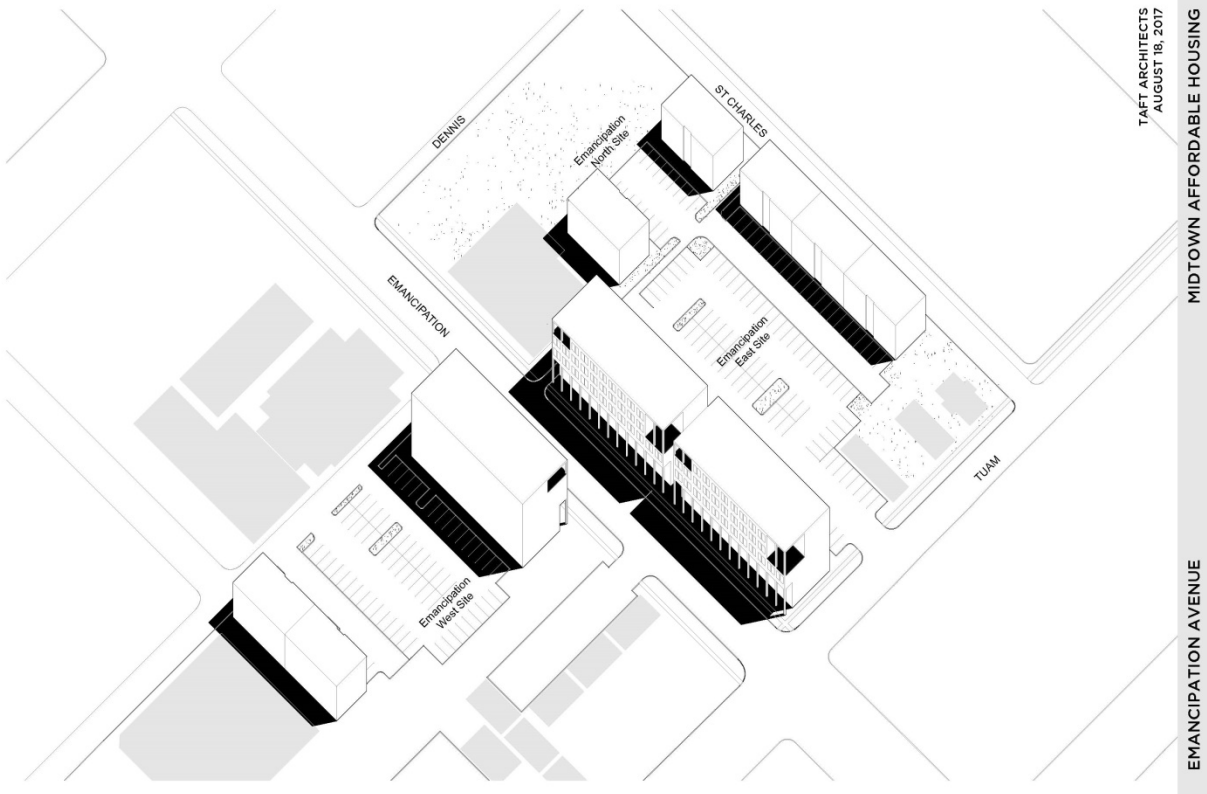
FIGURE 5: CATALYST PROJECTS IN EMANCIPATION MIXED-USE DISTRICT



The catalyst projects will buttress other initiatives focused on the Emancipation Avenue Mixed-Use District. These activities are described below.

- The former Dowling Street has been renamed Emancipation Avenue, reflecting its legacy as the former “Main Street” of Third Ward and its cultural heritage.
- Thirty-one town homes are under construction at the north end of the Emancipation Avenue Mixed-Use District.
- Project Row House Community Development Corporation (PRH-CDC) plans to construct five duplexes, four stand-alone micro units, and four storefronts with upper living areas facing Emancipation Avenue, on land that it owns.
- The Emancipation Economic Development Council (EEDC) is engaged in a variety of activities that are intended to facilitate community development, economic development, and growth along Emancipation Avenue. Free Market Square, a free and family-friendly shopping and live entertainment event, is one of these activities.
- The Emancipation Community Development Partnership (ECDP) is sponsoring catalyst projects in the Emancipation Avenue Mixed-Use District.
- ECDP is sponsoring an effort to secure National Trust for Historic Preservation Main Street designation for Emancipation Avenue.
- Places of worship located in the district are engaged in dialogue focused on constructing housing and supportive services on tracts of land that they own.
- Emancipation Avenue streetscape improvements are planned by Houston Southeast and the OST/Alameda Redevelopment Authority–TIRZ #7.
- The iconic Emancipation Park has opened after completion of a multi-million dollar renovation.
- Emancipation Avenue has been classified as a Designated Economic Corridor in the **Houston Southeast Community Plan**. The benefit of this classification is that signs have been placed that identify Emancipation Avenue as an economic corridor, and businesses along the corridor will be eligible for façade improvement loans and loans for operations.
- The **Houston Southeast Community Plan** is also proposing a cultural trail that incorporates Emancipation Park and nearby sites. In addition, an effort is underway to have Emancipation Park designated a National Heritage site.
- Since investment in infrastructure improvements is critical to housing development, in conjunction with the **Midtown Affordable Housing Plan**, Walter P Moore was engaged to complete an infrastructure assessment for the Emancipation Avenue Mixed-Use District. The assessment, which is included in its entirety in **Appendix L** of this document, indicates that the preliminary estimated cost for reconstruction of roadways and upgraded stormwater, wastewater, and water utility systems is \$16,379,761.

**FIGURE 6: AXONOMETRIC DRAWING - MULTI-FAMILY DEVELOPMENT
EMANCIPATION AVENUE MIXED-USE DISTRICT**



Preliminary: Subject to Change

FIGURE 7: PRELIMINARY CONCEPT SITE PLAN FOR PROPOSED MIXED-USE OFFICE BUILDING



Preliminary: Subject to Change

COMMUNITY CHARACTER

Despite some common characteristics featured in the Third Ward sectors, communities within the study area are diverse. South of Alabama, community characteristics begin to vary with respect to building scale and form, façade treatments, and lot sizes.

Single family detached housing units on a single lot prevail, but town homes on single or redeveloped aggregated lots began to appear in the last decade or so. The infill town home trend, which is a form of what has been labelled “densification,” is occurring in most of the sectors and mirrors a trend occurring in other close-in neighborhoods in Houston. This densification trend is beginning to alter community character in the study area’s sectors; it is most prevalent in the sectors closest to Downtown Houston, thus far.

Also, infill single-family detached homes larger than the single family detached homes that have traditionally characterized housing in the study area have been built on single tracts, although this is fairly uncommon.



These new housing units are evidence of the densification occurring in the Northwest Third Ward sector.

Northwest Third Ward Sector

Housing prototypes have increasingly diversified in this sector, due to heightened town home construction, especially west of Emancipation Avenue, in the northern end of the sector. More so than the other Third Ward sectors, this sector is trending toward higher residential densities.

New town home developments are being constructed, affecting the character of this sector. Historically, housing units in the sector were single family detached units and most were wood frame construction. New multi-level developments sometimes tower over older, single family detached units.

Another new type of development for the sector is a two-story duplex with stairwells on the outside (*pictured below*). These units are sponsored by Project Row House CDC and are an example of context-sensitive design, or design that fits in with its surroundings. Row House CDC has also built this type of development in the North Central Third Ward sector.



This duplex is part of a Project Row House CDC development.

In the Northwest Third Ward Sector (and other Third Ward sectors), there are small pre-World War II housing units, often assembled in a row. This type of unit was once informally referred to as a “shotgun” house, due to the fact that the layout would allow the blast from a shotgun to travel from the front door straight to the back without hitting a wall. These units were built for working-class households.



Shown above is an example of vertical units constructed in a row.

Homewood at Zion is a multi-family development sponsored by Re-Ward Third Ward Community Development Corporation and located in the sector. The development was supported in part by federal HOME funds administered by the Houston Department of Housing and Community Development.

The streets are generally laid out in a grid or modified grid pattern. Interior streets are narrow in width and some have open ditch drainage.

North Central Third Ward Sector

Modest single family detached housing units are the predominant prototype, although scattered throughout are duplexes, developments that contain 3-8 units, and low density apartment complexes (fewer than 25 units). Most of the units are wood frame construction, although interspersed throughout are small numbers of mostly-new units that have brick facades. Some of the single family detached units are so-called “shotguns” and bungalow-style single family detached units. There are also low density apartment complexes (fewer than 25 units) in the sector.

Most tracts are narrow, with dimensions of approximately 50 feet by 100 feet, or 5,000 square feet. There are some larger tracts proximate to Interstate Highway 45 South.

Some of the MRA-owned tracts are contiguous, but most are scattered, with locations ranging from frontage along narrow residential streets to frontage along major arterials and a major pedestrian/bicycle trail (the Columbia Tap Rail Trail). This trail is an amenity that could attract households desirous of taking advantage of proximity.



This is an example of a fairly common housing design in Third Ward North Central.

In the sector, there is a senior housing multi-family development on Nettleton at Webster streets. In addition, the Madge Bush Transitional Housing facility owned and managed by Wheeler Avenue Baptist Church 5Cs is located at 3410 Drew Street and Wheeler Avenue Triangle Ministries owns and manages single family rental units in the sector.

It is established that parks can be assets to a community, but Moses Leroy Park (named for a prominent historic figure) has been identified in the City of Houston **Parks Master Plan** as being in need of improvement. Improvements to this park would support the overall revitalization effort that is embodied in the *Southeast Houston Affordable Housing Initiative*.

Northeast Third Ward Sector

The housing stock in this sector is similar to that in the North Central sector. Modest single family detached homes are the predominant prototype.

Many of the interior streets are narrow in width and are drained by open ditches. Major thoroughfares serve as commercial corridors, with neighborhood retail uses predominant. Emancipation Avenue, once the “Main Street” of Third Ward, is in need of revitalization. Other commercial corridors in the Northeast Sector include a segment of Blodgett Street and a segment of Scott Street. The METRORail Purple Line Light Rail Transit line traverses the Scott Street segment of the sector.



Above is a wood frame house in the sector.

Riverside Hospital, which is currently shuttered, will be re-opened as a community health care facility sponsored by Harris Health and funded by Harris Health and Houston Endowment.

The 380-bed UH mixed-use student housing development (The Icon) is located at the intersection of Scott and Elgin streets. The development contains commercial/retail on the ground floor.

Because much of the sector is within ½ mile of a transit station, Northeast Third Ward has been identified as a transit-oriented development zone. Micro units (in multi-family buildings) are proposed for Third Ward Northeast, since TOD zones are optimum locations for this type of housing.

Zurrie Malone Park, named for an important historic figure, is in this sector. As is true of Moses Leroy Park, it is identified in the City of Houston **Parks Master Plan** as being in need of improvement.

The sectors on the north end of the study area are rich in community facilities and services, as listed below:

Project Row Houses

Project Row Houses CDC

Emancipation Economic Development Council

Emancipation Community Development Partnership

Re-Ward Third Ward CDC

Places of Worship

Third Ward Multi-Service Center

Riverside Clinic

Change Happens

Blackshear Elementary School

SHAPE Community Center

Golden Age Hobby House

Baylor College of Medicine Academy at Ryan

Madge Bush Transitional Housing

Wheeler Avenue Triangle Ministries

Third Ward Community Cloth Cooperative

Martin Luther King Jr. Community Center

House of Tiny Treasures

Jack Yates High School

Progressive Amateur Boxing Association

Emancipation Park & Community Center

Zurrie Malone Park

Moses Leroy Park

Third Ward South of Alabama

Alabama Street is the border between the Northwest Third Ward sector and the Third Ward South of Alabama sector. Alabama Street is a major thoroughfare, thus higher densities on this street would not degrade neighborhood character.

Residential lot sizes in the sector are typically approximately 60 feet by 100 feet. The blocks are much more linear and about double the length of the 300-foot blocks that are located north of Alabama Street. (*Houston Southeast Community Plan, Roberta F. Burroughs & Associates et al, June 2017.*) Homes in the Third Ward South of Alabama sector typically have deeper setbacks than the homes in the Third Ward sectors that are north of Alabama.

While there is some continuation of the architectural styles found north of Alabama, especially near the Alabama Street border, housing units with brick façades are more common and many are two-story, unlike most of the homes in the northern end of the neighborhood. The result is a much different visual aesthetic. As is true throughout the study area, town homes have been constructed in the sector.



The home on the left is typical of units of units in the South of Alabama sector. The homes on the right represent a new housing type for the sector.

The 564-unit Cuney Homes public housing development, which was originally developed in 1939, is located in this sector. It is developed at a higher density than is typical of the housing in the rest of the sector and it raises the overall density figure for the sector.

A new senior housing development sponsored by the Montrose Counseling Center is proposed for a MRA-owned site at 2222 Cleburne Street. This development will feature housing units, as well as supportive services.

SHAPE Community Center is just within the sector, on the northern boundary. Jack Yates High School and Texas Southern University are also located within the sector.

MacGregor

MacGregor was developed as a wealthy in-town suburban-style neighborhood and continues to have a suburban aesthetic. Housing densities are low for a close-in neighborhood, especially along Brays Bayou, which bisects the community. Blocks are slightly double the length of blocks in the Third Ward sectors and many contain suburban-style cul-de-sacs. The largest lots are located on either side of Brays Bayou.



Pictured above is a housing unit in the MacGregor sector.

Within the study area, MacGregor is unique, with its larger, mostly brick façade units. Housing units are one-story and two-story.

There are also a few garden apartment complexes in the sector, mainly in the vicinity of Brays Bayou. (A garden apartment example is pictured on page 30.)

Most interior street widths are wider than those that occur in the Third Ward sectors. Also, all of the streets in MacGregor have curb and gutter drainage.

MacGregor Park is a defining parks and open space feature and the smaller MacGregor Parkway is located in the sector also. There are several places of worship in the sector, including Muhammad Mosque 45 of the Nation of Islam.

North of Griggs

The North of Griggs sector, which is located within the OST/South Union Super Neighborhood, contains mostly one-story single family detached units. These units are larger than the legacy units north of Alabama Street, but smaller than housing units in MacGregor. Here and there are two-story units and units that have brick façades, but this is mostly not the case.

Mostly, interior streets are characterized by an irregular pattern, with cul-de-sacs in some sections. (*Houston Southeast Community Plan, Roberta F. Burroughs & Associates et al, June 2017*). Griggs Road is a major thoroughfare on the border of the sector, so higher densities would not degrade neighborhood character. The Development Program proposes micro units in a multi-family building on this arterial, which the **Houston Southeast Community Plan** has identified as a Designated Economic Corridor. As a result of this designation, Greater Southeast Management District has placed identity signs at key intersections. Also, placemaking improvements will be implemented over time; these include wide sidewalks and streetscape improvements.



This home is characteristic of housing units in the North of Griggs sector.

The Shrine of the Black Madonna Christian Church, the Shrine of the Black Madonna Cultural Center, Young Branch Library, Peck Elementary School, Kipp Liberation College Preparatory Academy, and Kipp Peace Elementary School are some of the community facilities located in the sector.

The University of Houston is constructing a new 700-bed student housing development at the southeast corner of Martin Luther King Jr. Boulevard and Old Spanish Trail. Proposed development includes single- or multi-family housing on an aggregated tract on Martin Luther King Jr Boulevard and a shelter planned by the Tejano Center.

There are shovel-ready projects that are pending for tracts on Martin Luther king Jr. Boulevard. Houston Business Development Inc. (HBDi) and other housing sponsors hope to build new housing in the sector.

South of Griggs

In the South of Griggs sector, most of the housing units are in one-story single family detached structures, except that there are duplexes east of Martin Luther King Jr. Boulevard that are slated to be torn down and replaced with town homes. This is a project of Houston Business Development Inc. (HBDi).

Larger multi-family developments are located on Schroeder Street, west of Martin Luther King Jr. Boulevard. Houston Business Development, Inc. has built several new brick façade units in the neighborhood, on land conveyed by MRA.

A new mixed-use development that features apartments and attached town homes and commercial/retail uses is located at the intersection of Griggs Road and Martin Luther King Jr. Boulevard. This mixed-use development, the Village at Palm Center, represents a new development type for the sector.



Above is a housing unit in the South of Griggs sector.



Pictured above is the Village at Palm Center, a multi-family development with commercial uses on the ground floor. This development represents a new prototype for the South of Griggs sector.

The intersection of Griggs Road and Martin Luther King Jr. Boulevard is an active node in the vicinity of which is a substantial amount of new and proposed development. This development includes the new Young Branch Neighborhood Library, the Village at Palm Center, the Texans YMCA, and two Kipp Academy schools.

The highly trafficked Palm Center Business Technology Center (BTC), owned and managed by HBDi, is also located at this node, and the METRORail Purple Line alignment terminates adjacent to the BTC. HBDi plans to expand its commercial/retail footprint at the Palm Center BTC and has built single family housing units in the vicinity of its facility.

Since Griggs Road bisects the North of Griggs and South of Griggs sectors, the projects included in the **Houston Southeast Community Plan** and described in the North of Griggs section apply.

HOUSING DENSITY

Housing density is expressed as the number of housing units per square mile. North Central Third Ward has the highest density and North of Griggs has the lowest. Although it has the largest housing units, on average, housing density in MacGregor is elevated by the existence of apartment developments in some sections of the neighborhood. **Table 1** contains housing density figures for the sectors, the study area, and Houston.



Garden apartments in the MacGregor sector

TABLE 1: HOUSING DENSITY

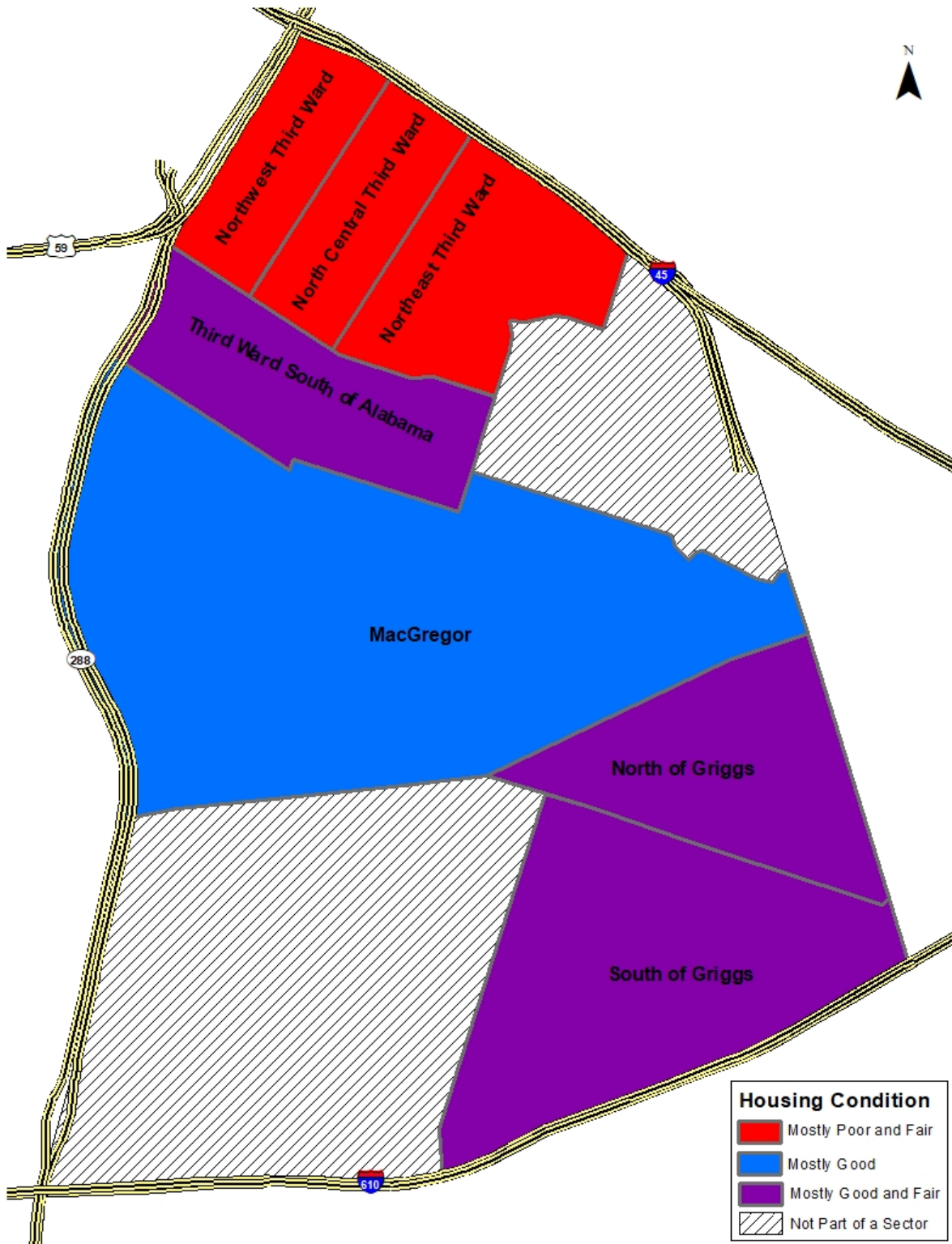
SECTOR	HOUSING DENSITY (UNITS PER SQUARE MILE)
Northwest Third Ward Sector	2,018
North Central Third Ward	3,065
Northeast Third Ward	2,774
Third Ward South of Alabama	2,976
MacGregor	2,341
North of Griggs	1,349
South of Griggs	1,849
Study Area	2,239
Houston	1,546

Source: American Community Survey, 5 Year Estimates, 2011-2015, U.S. Census Bureau.

HOUSING CONDITION

As illustrated on **Figure 8**, housing in the study area is in “good,” “fair,” and “poor” condition. Sectors that have been given the “good” classification contain a preponderance of housing that is well maintained and does not display structural defects, such as sagging roofs and/or foundations. Sectors that have been given the “fair” classification have a preponderance of housing that is showing signs of deferred maintenance but is not exhibiting structural defects. Sectors that have been given the “poor” classification have a preponderance of housing that is experiencing major structural defects. Many of the units that are in poor condition are located north of Alabama Street and a significant number are vacant and boarded up. Units in poor condition, especially those that are boarded up, exert a severe blighting influence. Oftentimes, housing units that are proximate to MRA-owned tracts exhibit structural defects or signs of deferred maintenance and some of the structurally defective units are boarded-up and vacant. This will impede CCPPI’s ability to revitalize communities via its activities, if the situation is not addressed, thus the **Chapter 9** recommendation **Chapter 9** that is related to this issue.

FIGURE 8: HOUSING CONDITION



SOCIAL PROFILE

This section covers age groupings, median household income, household size, and mobility. All of these categories of data relate to the housing needs of the study area population.

Median Household Income

Household income is a good indicator of a household’s ability to afford decent shelter. As shown on **Table 2**, the median household income reported for the study area as a whole is considerably lower than the Houston figure (\$30,970 for the study area compared to \$46,187 for Houston.) However, the figures reported for the MacGregor and North of Griggs sectors are comparable to the Houston figure. The figures reported for North Central Third Ward and Northeast Third Ward are very low relative to the figures for the study area and Houston.

TABLE 2: MEDIAN HOUSEHOLD INCOME

Geography	Median Household Income (In 2015 Inflation Adjusted Dollars)
Northwest Third Ward	\$38,989
North Central Third Ward	\$17,995
Northeast Third Ward	\$19,178
Third Ward South of Alabama	\$32,307
MacGregor	\$45,660
North of Griggs	\$45,750
South of Griggs	\$34,010
Study Area	\$30,970
Houston	\$46,187

Source: American Community Survey, 5 Year Estimates, 2011-2015, U.S. Census Bureau.

Age Groupings

Age groupings are a good indicator of the type of housing that households require. In general, the study area population is older than the citywide population (11.9% seniors in the study area compared to 9.6% for Houston). This is reflective of the maturity of the neighborhoods within its boundaries. North of Griggs (23.4%) and North Central Third Ward (16.7%) have the largest proportions of persons who are 65 years of age and over. (See **Table 3**.) There are no senior housing developments in these sectors, so sites in these sectors could be designated for senior housing or multi-generational housing.

Most of the sectors in the study area have a larger share of working age persons than does Houston overall. Only the North of Griggs sector has a lesser proportion of persons who are 18-64 years of age than is true citywide.

Persons under five years of age are not represented in the study area population in the same proportions as citywide. Only in Northwest Third Ward and North Central Third Ward do persons under five years of age approach or exceed the citywide proportions. Persons 5-17 years of age are also underrepresented compared to the figure for Houston overall.

TABLE 3: AGE GROUPINGS

Geography	Total Population	Under 5 Years		5 to 17 Years		18 to 64 Years		65 Years & Over	
		#	%	#	%	#	%	#	%
Northwest Third Ward	1,387	103	7.4%	125	9.0%	1,060	76.4%	99	7.1
North Central Third Ward	1,782	151	8.5%	236	13.2%	1,097	61.6%	298	16.7
Northeast Third Ward	3,034	122	4.0%	572	18.9%	2,028	66.8%	312	10.3
Third Ward South of Alabama	4,366	150	3.4%	703	16.1%	3,202	73.3%	311	7.1
MacGregor	16,076	625	3.9%	1,244	7.7%	12,360	76.9%	1,847	11.5
North of Griggs	2,637	167	6.3%	445	16.9%	1,409	53.4%	616	23.4
South of Griggs	5,547	348	6.3%	864	15.6%	3,674	66.2%	661	11.9
Study Area	34,829	1,666	4.8%	4,189	12.0%	24,830	71.3%	4,144	11.9
Houston	2,217,706	172,150	7.8%	389,441	17.6%	1,443,414	65.1%	212,701	9.6

Source: American Community Survey, 5 Year Estimates, 2011-2015, U.S. Census Bureau.

Household Size

Household size data is presented because household size is a good indicator of the physical size of housing unit into which a household will comfortably fit. (When federal subsidies are involved, there is a standard that is applied.)

Table 4 contains household size data for Houston, the study area, and the sectors in the study area.

TABLE 4: AVERAGE HOUSEHOLD SIZE

Geography	Average Household Size
Northwest Third Ward	2.2
North Central Third Ward	2.5
Northeast Third Ward	2.6
Third Ward South of Alabama	2.2
MacGregor	2.1
North of Griggs	2.7
South of Griggs	2.9
Study Area	2.4
Houston	2.7

The South of Griggs sector has the largest household size in the study area, followed by North of Griggs and Northeast Third Ward. The study team has endeavored to reflect these conditions in the Development Program. (The team is aware that households from outside the study area will also occupy units built as a result of the implementation of the *Southeast Houston Affordable Housing Initiative*.)

Source: American Community Survey, 5 Year Estimates, 2011-2015, U.S. Census Bureau.

Housing Characteristics

The structures in the study area are vintage by Houston standards. This is despite the fact that new construction has lowered the median age of structures in some neighborhoods, especially in the Northwest Third Ward sector, where significant new town home construction has occurred.

In general, median housing values are lower than the citywide median. However, housing values in the MacGregor sector are higher than citywide and values in the Third Ward South of Alabama sector are close to the citywide figure.

Gross rents are higher than the Houston figure except in in North Central Third Ward, Northeast Third Ward, and Third Ward South of Alabama, where rents are lower than citywide.



The poor condition of much of the older housing in the Third Ward sectors north of Alabama Street is due to the fact that many of these older housing units have not been maintained over time. (This is not to impugn occupants who may not have had the means and/or occupancy status to maintain their residences.) Adding new units to the mix can give residents an opportunity to move to standard housing.



4 MARKET CONDITIONS

The need for affordable housing in the study area is undeniable. According to the U. S. Department of Housing and Urban Development (D-HUD), families who pay more than 30% of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation, and medical care, after paying for housing. Current and rising rents and for-sale housing prices are causing housing to be unaffordable for these households.

To provide a context for affordability conditions, market studies and market data are summarized in this chapter, using data extracted from reports available to the study team. These are a market study commissioned by MRA in support of this Plan, a study prepared for LISC-Houston by the Rice University-Kinder Institute, and a study by the National Low Income Housing Coalition.

MARKET STUDY

A market study performed by CDS Community Development Strategies for the Midtown Redevelopment Authority contains statistics pertaining to a primary Competitive Market Area (CMA), a rental CMA, and a single family CMA. According to the *Southeast Housing Market Needs Assessment*, the CMAs are the primary area from which households taking advantage of new units developed on MRA-owned tracts are likely to be drawn. Therefore, this area is larger than the study area for the **Midtown Affordable Housing Plan**. (The maps that depict the CMA boundaries can be viewed in the CDS study, which is incorporated in this report as **Appendix M**.)

Insights from the CDS study follow.

- *There is a high demand for housing in the \$100,000 - \$250,000 range. The median days-on-market is currently at 19 days for the primary CMA and 12 days for the single family CMA. Interviews that CDS conducted with real estate agents in the area revealed that affordable re-sale homes with minimal needed repairs are quickly sold, oftentimes receiving multiple offers within a few days.*
- *The supply of new single-family homes in the primary CMA has been extremely limited.*
- *With respect to CMA rental housing market trends, the lack of supply over the last 10 years, combined with rising occupancy rates, has led to rising rents over the last seven years.*
- *Despite the softening of rental markets in other parts of the Houston area, occupancies and rents have remained high since the drop in oil prices. Both CMAs have seen year over year increases in the average effective renter per SF from 2014 to 2016 YTD. (Southeast Housing Market Needs Assessment, CDS Community Development Strategies, May 2017.)*

The analysis also infers a shortage of units that have more than two bedrooms; this is supported by anecdotal evidence, for example, it has been said that the Houston Housing Authority' has difficulty accommodating families that need units that contain more than two bedrooms.

RICE UNIVERSITY KINDER INSTITUTE STUDY

In a report prepared for Local Initiatives Support Corporation-Houston, the Rice University's Kinder Institute for Urban Research presents Harris County data that demonstrates a need for affordable housing in Harris County. Since the study area is a geographical subset of Harris County, this study is highly relevant.

The Rice University Kinder Institute analysis determined that 47.2 percent of Harris County renters are cost-burdened and 24.5 percent of homeowners are cost burdened. (*Houston and Harris County Housing Conversation – Event Report. Houston LISC and Rice University's Kinder Institute for Urban Research, February 20, 2017.*)

Additional insights from the Kinder Institute/Rice University study are as follows:

- *Approximately 630,000 households in Harris County make less than 80% of D-HUD's area median income for Harris County. Sixty-nine percent of these households make less than 80% of D-HUD's area median income for Harris County and are cost burdened (paying at least 30% of their income for housing) or live in units with one or more major problems (lacking kitchen, bath, or more than one person per bedroom).*
- *The demand for affordable housing ranges from 215,000 to 435,000 units. To assist the poorest who are spending the most on housing, the need is 215,000 units; to assist all units that are burdened, 435,000 units are needed. Supply is estimated at 90,000 units. (Houston and Harris County Housing Conversation – Event Report. Houston LISC and Rice University's Kinder Institute for Urban Research, February 20, 2017.)*

THE GAP: A SHORTAGE OF AFFORDABLE HOMES

Houston is near the top of a list of large metropolitan areas that face shortages of units for Extremely Low Income (ELI) renters, defined as renter households that have at or below 30% Area Median Income (AMI). The National Low Income Housing Coalition's **The Gap: A Shortage of Affordable Homes** reports that of the 50 largest metropolitan areas, Extremely Low Income (ELI) renters face the largest relative shortages in Las Vegas, Nevada, Los Angeles, California, Houston (with 18 homes for every 100 ELI renter households), and in Orlando, Florida, in that order of deficiency. (*The Gap: A Shortage of Affordable Homes*, National Low Income Housing Coalition, March 2017.)

Moreover, the report indicates that in the Houston-The Woodlands-Sugar Land region, the deficit of units for ELI renters is 185,197 and the deficit is 180,872 units for households at or below 50% of Area Median Income (AMI). (*The Gap: A Shortage of Affordable Homes*. National Low Income Housing Coalition, March 2017.)

5 AFFORDABILITY ANALYSES

As mentioned previously, according to D-HUD, households that pay more than 30% of gross income for housing and utilities are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation, and health care, after paying housing costs. The amount of affordable rent that a household can pay is based on a combination of household income and household size.

As previously stated, the households targeted for the *Southeast Houston Affordable Housing Initiative* are those with incomes that range from 30% of Area Median Income (AMI) for D-HUD's Houston-The Woodlands-Sugarland metropolitan area to 120% AMI for D-HUD's Houston-The Woodlands-Sugarland metropolitan area. (The AMI figures published by D-HUD annually are the basis for the proceeding affordability analysis.)



AFFORDABILITY ANALYSIS – HOMEBUYERS

The home ownership affordability analysis reveals that only four-person households with incomes at 80% of the Area Median Income and above will be able to afford a for-sale home without deep subsidy.

The calculation is based, as is typical for such models, on a 4-person household. Other inputs include the potential number of for-sale homes (257) times down payment assistance of 3.5 percent per household for a 1,200 square foot home, based on development costs of \$120 per square foot. (This is a rough calculation of necessity, since unit sizes will vary, as may development costs and amounts of down payment assistance that a homebuyer can access.)

TABLE 5: AFFORDABILITY ANALYSIS - HOMEBUYERS

4-Person Household @ 30yr loan term, 6% Interest						
Affordable monthly payment	INCOME LEVEL					
	30% of AMI	50% of AMI	60% of AMI	80% of AMI	100% of AMI	120% of AMI
Affordable monthly payment	\$536	\$894	\$1,073	\$1,430	\$1,788	\$2,145
Estimated monthly housing expense	\$1,405	\$1,405	\$1,405	\$1,405	\$1,405	\$1,405
Difference between affordable monthly payment and estimated monthly housing expense	(\$869)	(\$511)	(\$332)	\$25	\$383	\$740

Households with income below 80% of AMI would require deep subsidy to purchase a home and, in all likelihood, would require ongoing support to retain the unit.

AFFORDABILITY ANALYSIS – RENTER HOUSEHOLDS

D-HUD publishes data that identifies affordable rents for different family sizes, segmented by percentages of Area Median Income (AMI). (The AMI for Harris County, according to the 2017 D-HUD guidelines, is \$71,500 for a four-person household.)

The study team has used this data to identify the rents that would be affordable if a household is not to be rent-burdened, that is, if the rent does not result in a family or household paying more than 30% of income for rent. These rents are linked to assumptions made in the Development Program about unit size. The analysis results in an estimate of the annual subsidy required for the proposed prototypes, using a family of four as the benchmark.

Not surprisingly, as shown on **Table 6**, the need for subsidies is greater, the lower the household income. As the AMI increases, the need for subsidy decreases. As rents continue to increase, as is the trend, the need for subsidies may be increase and may extend to higher AMI segments. *Given that this plan is an evergreen document these numbers will be re-visited as the plan is implemented.*

TABLE 6: AFFORDABILITY ANALYSIS – RENTERS

4-Person Household	Prototype	Estimated Monthly Rent	Monthly Affordability Amount	Monthly Affordability Gap	Number of Units	Aggregate Monthly Subsidy Needed to Close Gap	Aggregate Annual Subsidy Needed
30% of AMI	Single Family	\$1,200	\$536	\$664	1	\$664	7968
	Duplex-8-plex	750	536	(\$214)	35	7,490	89,880
	Micro Units	430	536	(\$106)	8	8,586	1,03,032
	Multi-Family	940	536	(\$404)	81	32,724	392,688
50% of AMI	Single Family	1,200	894	\$306	6	1,836	22,032
	Duplex 8-plex	750	894	None	139	None	None
	Micro Units	430	894	None	33	None	None
	Multi-Family	940	894	\$46	323	14,858	178,296
80% of AMI	Single Family	1,200	1,430	None	15	None	None
	Duplex- 8-plex	750	1,430	None	347	None	None
	Micro Units	430	1,430	None	84	None	None
	Multi-Family	940	1,430	None	807	None	None
100% AMI	Single Family	1,200	1,788	None	6	None	None
	Duplex-8-plex	750	1,788	None	139	None	None
	Micro Units	430	1,788	None	33	None	None
	Multi-Family	940	1,788	None	323	None	None
120% AMI	Single Family	1,200	2,145	None	1	None	None
	Duplex-8-plex	750	2,145	None	35	None	None
	Micro Units	430	2,145	None	8	None	None
	Multi-Family	\$940	\$2,145	None	81	None	None
TOTALS						\$66,158	\$793,896

Table 7 contains data related to the size of unit that would be affordable for households at various income levels without subsidy. The data demonstrates that lower income levels might be able to afford an appropriately sized unit. For example, units for households with AMI below 30% would have to be inappropriately sized to be affordable for the standard size household used for such calculations, which is a four-person household.

TABLE 7: UNIT SIZE THAT IS AFFORDABLE WITHOUT SUBSIDY

Income as Percentage of AMI	Housing Affordability (30% of Income)	Household Size							
		1	2	3	4	5	6	7	8
30%	Monthly Housing Affordability (30%)	\$376	\$430	\$484	\$536	\$580	\$623	\$665	\$709
	Affordable square footage at \$1 per square foot.	376	430	484	536	580	623	665	709
50%	Monthly Housing Affordability (30%)	\$626	\$715	\$805	\$894	\$966	\$1,038	\$1,109	\$1,180
	Affordable square footage at \$1 per square foot.	626	715	805	894	966	1,038	1,109	1,180
60%	Monthly Housing Affordability (30%)	\$752	\$858	\$966	\$1,073	\$1,160	\$1,245	\$1,331	\$1,416
	Affordable square footage at \$1 per square foot.	752	858	966	1,073	1,160	1,245	1,331	1,416
80%	Monthly Housing Affordability (30%)	\$1,001	\$1,145	\$1,288	\$1,430	\$1,545	\$1,660	\$1,774	\$1,889
	Affordable square footage at \$1 per square foot.	1,001	1,145	1,288	1,430	1,545	1,660	1,774	1,889
100%	Monthly Housing Affordability (30%)	\$1,272	\$1,425	\$1,596	\$1,788	\$2,002	\$2,242	\$2,511	\$2,813
	Affordable square footage at \$1 per square foot.	1,272	1,425	1,596	1,788	2,002	2,242	2,511	2,813
120%	Monthly Housing Affordability (30%)	\$1,527	\$1,710	\$1,915	\$2,145	\$2,402	\$2,691	\$3,014	\$3,375
	Affordable square footage at \$1 per square foot.	1,527	1,710	1,915	2,145	2,402	2,691	3,014	3,375

To illustrate the point made earlier, **Table 7** shows that a family of four with income that is 30% of Area Median Income would have to occupy a unit that is 536 square feet in size to avoid being rent burdened, unless the unit's rent is subsidized.

6 DESIGN GUIDELINES

The guidelines in this chapter can serve as an implementation tool and as a tool for evaluating proposals submitted by housing sponsors. They are intended to be flexible to avoid unreasonable constraints on development. They are qualitative and are not intended to usurp official governmental codes.

Guidelines that apply to all sectors and housing prototypes are presented, as well as guidelines that apply to specific housing prototypes. The design guidelines inform the Development Program presented in **Chapter 7** and are intended to be applied to the development of the tracts of land that are the subject of this Plan.

GENERAL GUIDELINES

The guidelines below apply to all sectors (except where noted) and to all housing prototypes in the study area.

- The building elevations of new residential structures should reflect the prevailing elevations of existing buildings on a block.
- The front façade of new residential structures should be in alignment (build-to-line) with the façades of adjacent residential buildings.
- Native plants must be used for landscaping.
- Mature trees must be retained if at all possible.
- Opaque walls are discouraged.
- Green walls are encouraged.
- Chain link fences are prohibited.
- The use of aluminum siding over an entire building façade is prohibited.
- Expanses of paving or other hard surface materials are strongly discouraged.
- New residential structures should be designed to respect the mass, rhythm, height, scale, and ornamentation of existing buildings.
- New construction should use durable materials that are sympathetic to neighborhood character. The use of materials such as fiberglass, plastic, foam products, or concrete block is not permitted. The use of stucco or exterior insulation and finishing systems (EIFIS) is allowed as long as the developer or builder secures certificates of proper installation and warranties and the detailing is compatible with the architecture of surrounding residential buildings. However, the use of EIFIS,

residential vinyl and aluminum siding, and corrugated metal siding are inappropriate on ground floor commercial spaces in mixed-use buildings.

- Infill structures should be of similar height and scale as surrounding structures.
- Residential building types shall have “eyes on the street” resulting from the construction of as many windows as possible that face the street. Exceptions shall require justification based on the layout of the tract and affordability and shall require permission from the Design Review Committee.
- Major entrances to residential units are required to face the street.
- Podium parking will be allowed for some multi-family structures. The purpose of this accommodation is to increase the number of affordable units that can be built on a parcel and comply with City of Houston parking regulations.
- Surface parking in podium buildings must be architecturally screened.
- In the Third Ward sectors, doors that face public rights-of-way should include some level of ornamentation to add architectural interest to building façades in the Third Ward sectors.
- To enhance the architectural qualities of building, the number of colors should be kept to a minimum. New buildings shall also adopt the design approach of complementing color of the exterior cladding materials used. Select colors for trim that are in the same color range.
- It is preferred that parking areas for multi-family structures be located at the rear of the structure.
- In the Northwest Third Ward, North Central Third Ward, and Northeast Third Ward sectors, the use of ornamentation is encouraged to enhance the visual richness of buildings in this historic portion of the study area.
- Façade treatments similar in appearance to the prevailing treatments on a block face are encouraged.

- If more than one housing unit is constructed on a single parcel, the architectural style shall be consistent among all of the prototypes.
- Front porches are encouraged on block faces where front porches are prevalent. This will primarily apply to the Northwest Third Ward, North Central Third Ward, and Northeast Third Ward sectors.

PROTOTYPE-SPECIFIC GUIDELINES

Following are guidelines specific to the prototypes that the Development Program incorporates.

Multi-Family High Density (50 Units and Higher)

All of the sectors in the study area are characterized by low vertical densities, so guidelines are reflective of this. In addition, neighborhoods within study area sectors are more than 50 years old and are therefore verdant, so the adoption of green infrastructure is desirable, wherever feasible.

- High density multi-family structures may rise to no more than four stories, to maintain consistency with community character. However, if the structure faces a major thoroughfare, it may rise to a maximum of five stories. Access to service bays and to parking should be from secondary streets or alleys.
- Landscaped parking lots are encouraged.
- Housing units may be constructed above a one-story parking podium if the tracts are identified in the Development Program as an acceptable site for a podium building. However, the housing sponsor must still demonstrate that a podium-style building on the tract would increase the number of housing units that can be constructed and that the design cannot impede walkability or security.



Mixed-Use Multi-Family High Density – 50 Units and Higher + Commercial

This category can include family housing, student housing, faculty housing, senior housing, buildings that contain micro units (*aka* studio apartments), and single room occupancy units.



Above is a depiction of The Icon, a multi-family student housing with commercial/retail on the ground floor; drawing extracted from <http://www.newquest.com>. The property is located at Scott and Elgin streets, major thoroughfares in Northeast Third Ward.

- Housing units may be constructed above a one-story parking podium if the tracts are identified in the Development Program as an acceptable site for a podium building. Access to service bays and to parking should be from secondary streets. The housing sponsor must still demonstrate that a podium-style building on the tract would increase the number of housing units that can be constructed and that the design will not impede walkability or security.
- Building designs should create a sense of enclosure by placing buildings on the lot lines along major streets. At least 50% of the first floor of the primary façade should be articulated with building entrances, display windows, and windows allowing views into retail and office spaces. Blank walls facing the street are inappropriate. Window and door openings should have a vertical orientation and should be vertically aligned between stories. Materials, textures, and colors should be appropriate for the building's design and surrounding context.
- Canopies and awnings on multi-family mixed-use buildings are appropriate above entrances and storefronts. They should enhance the expression of the building entrance and add a high-quality element to the streetscape.
- Signage on mixed-use buildings should contribute to a vibrant pedestrian environment and should be scaled and oriented to the pedestrian.
- Lighting fixtures on mixed-use buildings should complement the building. Pedestrian scale lighting fixtures should shine downward and emit a warm light along walkways. The lights should be concealed from view to prevent glare.

Multi-Family Medium Density - 26-49 Units

As is true of the guidelines for multi-family high density structures, multi-family medium density guidelines reflect the fact that vertical densities are relatively low throughout the study area.

- Medium density multi-family developments are required to be architecturally compatible with surrounding buildings.
- The number of stories must conform to what is set forth in the Development Program.
- Landscaped parking lots are encouraged.



Low Density Multi-Family – 10-25 Units

Low density multi-family developments are proposed for locations where they will not disrupt existing community character. Typically, these units are proposed to be placed in proximity to other low density multi-family units or proximate to community facilities.



- Low-density multi-family developments can be stacked and/or attached modules, depending on what is set forth in the Development Program.
- Landscaped parking lots are encouraged.
- The number of stories must conform to densities set forth in the Development Program.

Multi-Family Very Low Density (Triplexes, 4-plexes, 6-plexes, and 8-plexes)

These prototypes can range from one to three stories and are recommended for tracts with appropriate dimensions; in some instances, adjacent tracts are proposed to be aggregated to form a larger tract that would accommodate this prototype. The Development Program identifies tracts on which one or more very low density developments are proposed to be placed.



Duplexes

The duplex prototype is a building that contains two living units that share a common wall. This prototype can take a variety of forms, as illustrated on the next page.

Locally, Project Row House CDC has sponsored stacked duplexes that fit in with the character of the surrounding communities where they have been placed, i.e. in the Third Ward sectors north of Alabama Street. The Row House-CDC duplex design type is particularly well suited for narrow MRA-owned tracts in the Third Ward sectors. This design type enables more density to be achieved on these narrow tracts, integrating nicely with the scale and look of the surrounding mostly wood frame housing units.

- More than one set of duplexes on the same site shall have the same architectural style.
- Driveways that do not face an arterial are discouraged.



Single Family Detached Units

Single family detached units are proposed primarily for MacGregor, North of Griggs, and South of Griggs, although some single family detached rental units are proposed for the Third Ward sectors, as mentioned in the next chapter. Single family detached micro units, described in the next chapter, are included in this category, as are single family detached town homes.

- Parking garages located at the front of the house are discouraged in the Third Ward sectors that are located north of Alabama Street.
- Driveways that do not face an arterial are discouraged.



7 DEVELOPMENT PROGRAM

The study team prepared a Development Program that is informed by the Design Guidelines in the preceding chapter. The Development Program presents an estimate of the number of units that can be developed on each tract of MRA-owned land. Since there are a number of variables that have an impact on the number of units that can be developed on a tract of land, the program is intended to serve as a framework. (These variables include City of Houston regulations pertaining to parking, drainage, and land development; availability and levels of subsidies to lower development costs and costs to the consumer; the availability of Low Income Housing Tax Credits; the availability of financing at favorable terms; platting requirements; soft costs; drainage requirements; labor costs; and materials costs.)

DEVELOPMENT PROGRAM

The Development Program is guided by objectives that were not always easy to balance. For example, the objective of maximizing the number of units on a tract in order to serve more households sometimes had to be balanced against the objective of maintaining the existing character of a block face.

The objectives that follow reflect this balancing act and are as follows:

- Maximize the number of units placed on MRA-owned tracts so as to serve the maximum number of low-moderate income households, given the dire need that exists.
- Avoid placing higher density housing prototypes in locations where these prototypes would dramatically alter community character to undesirable effect While acknowledging the eclectic mix of housing prototypes that sometimes already exist in a neighborhood or on a block face.
- Place high density and medium density multi-family units on or near METRORail Purple Line light rail transit stations and major arterials, whenever feasible. Exceptions are medium density units proposed for minor arterials where there are apartments or non-residential development in proximity.
- Place micro units near the METRORail Purple Line whenever feasible.

DESIGN PROTOTYPES

As shown in **Chapter 7**, the Development Program incorporates seven housing design prototypes. These are: repeated, as follows: multi-family high density; 50+ units; multi-family high density with commercial; 50+ units with commercial; multi-family medium density: 26-49 units; multi-family low density: 10-25 units; multi-family very low density — 8-plexes, 6-plexes, 4-plexes, and triplexes; duplexes; and single family detached units.

Single family detached units include micro units, which are smaller units in the 430 square foot range as shown below. Micro units are also proposed to be located in some multi-family developments that exclusively contain micro units. In the latter context, micro units will also be called studio apartments.

UNIT SIZE ASSUMPTIONS

The following unit size assumptions underlie the number of units proposed for each tract in the Development Program.

UNIT TYPE	AVERAGE UNIT SIZE
Single Family Detached	1,200 square feet
Micro Units (SF Detached & in MF Building)	430 square feet
8-plex, 6-plex, 4-plex, Triplex, Duplex	750 square feet
Multi-Family and Multi-Family with Commercial/Retail on Ground Floor	940 square feet

DEVELOPMENT PROGRAM SUMMARY

- In some instances, tracts are proposed to be aggregated to form a larger tract so that the highest and best residential use can be placed on it.
- It is proposed that multi-family development be placed mainly on large tracts that face major arterials.
- It is proposed that some of the multi-family structures contain a mixture of micro units and larger sized units. In other instances, it is proposed that some multi-family structures only contain micro units, are also referred to as studio apartments in this context. Each unit will contain a separate bathroom and kitchen.
- To align with existing community character, it is proposed that very low density multi-family development be placed on interior streets.
- High density multi-family development with commercial/retail on the ground floor is proposed to be constructed in the Emancipation Avenue Mixed-Use District, which is a subarea of the Third Ward Northwest sector and also in the South of Griggs sector. The latter has been identified herein as a transit-oriented development (TOD) zone. This development would occur on single MRA-owned tracts of land that are either already of sufficient size to hold high density multi-family development, or on tracts that are proposed to be aggregated to form tracts of sufficient size to hold 50 or more units.
- Also proposed for the Emancipation Avenue Mixed-Use District are 20 multi-family units at the site of the mixed-use office building at Emancipation Avenue at Elgin Street.
- Medium density multi-family developments (26-49 units) are proposed to be constructed in the North Central Third Ward sector and in the North of Griggs sector.
- Low density multi-family developments (10-25 units) are proposed to be constructed primarily in the Third Ward sectors that are north of Alabama, in the MacGregor sector, and in the South of Griggs sector.
- The 4-plexes that are proposed would primarily be constructed in the Third Ward sectors that are north of Alabama. These developments would typically be located at intersections of interior streets or on major thoroughfares and major collector streets and would be constructed where 4-plexes already exist, so as not to disrupt existing community character.
- Triplexes are primarily proposed to be constructed in all of the Third Ward sectors and in the South of Griggs sector.
- New duplexes are proposed for every sector except MacGregor.

- Single-family units are defined as detached, stand-alone units and include micro units. It is proposed that single family detached units be made available for purchase in the MacGregor, North of Griggs, and South of Griggs sectors.
- There is a smattering of single family detached rental units proposed for Third Ward sectors and it is proposed most of these units contain four bedrooms. These units would be made available to large families, who have difficulty finding housing of adequate size.
- Rental housing would be the primary focus in the Northwest Third Ward, Northeast Third Ward, and North Central Third Ward sectors.
- In the South of Alabama sector, the program incorporates the senior housing that the Montrose Center is proposing to build.
- For-rent and for-sale housing is proposed for the South of Griggs, MacGregor, and North of Griggs sectors.
- High-density multi-family development with commercial uses on the ground floor is described as mixed-use development. Commercial uses are likely to be commercial/retail establishments, but commercial uses of a non-retail nature would also be allowed.
- The Development Program posits 2,504 rental units and 257 for-sale units. The table in **Appendix B** contains details regarding the estimated number of rental units and for-sale units that can be constructed.

It is understood that housing sponsors will likely want to propose refinements to prototypes that are proposed for tracts of land, due to design preferences, financing constraints, infrastructure costs, and the availability of subsidies to underwrite costs.

Table 7 summarizes the Development Program in tabular form. The table depicts the estimated number of units that can be constructed in each sector, by housing prototype. These numbers can serve as production goals. (There is more detailed data pertaining to the Development Program in *Appendices C-1*.)

Figures 9–15 illustrate the Development Program for each sector in map format.

TABLE 8: SUMMARY OF DEVELOPMENT PROGRAM

Sectors	Multi-Family Units									# of Units in Duplexes	# of Single Family Detached (including micro units)	Total Units
	50 + units	Mixed-Use High Density Multi-Family with Commercial	Micro Units	# of units in 26-49 Unit Developments	# of units in 10-25 Unit Developments	# of Units in 8-plexes	# of Units in 6-plexes	# of Units in 4-plexes	# of Units in Triplexes			
Northwest Third Ward	0	200	0	0	65	16	12	12	9	20	3	337
North Central Third Ward	0	0	104*	83	114	56	24	44	21	88	17	551
Northeast Third Ward	0	0	15	0	38	24	54	56	24	198	9	418
Third Ward South of Alabama	112	0	0	0	0	0	0	0	9	2	0	123
MacGregor	0	0	0	0	50	16	0	0	0	0	1	67
North of Griggs	110	78	48*	75	0	0	0	0	0	14	162	487
South of Griggs	576	0	0	0	137	0	0	0	6	16	34	769
TOTALS	798	278	167	158	404	112	96	112	72	338	226	2,761

*In a high-density multi-family development

FIGURE 9: NORTHWEST THIRD WARD SECTOR

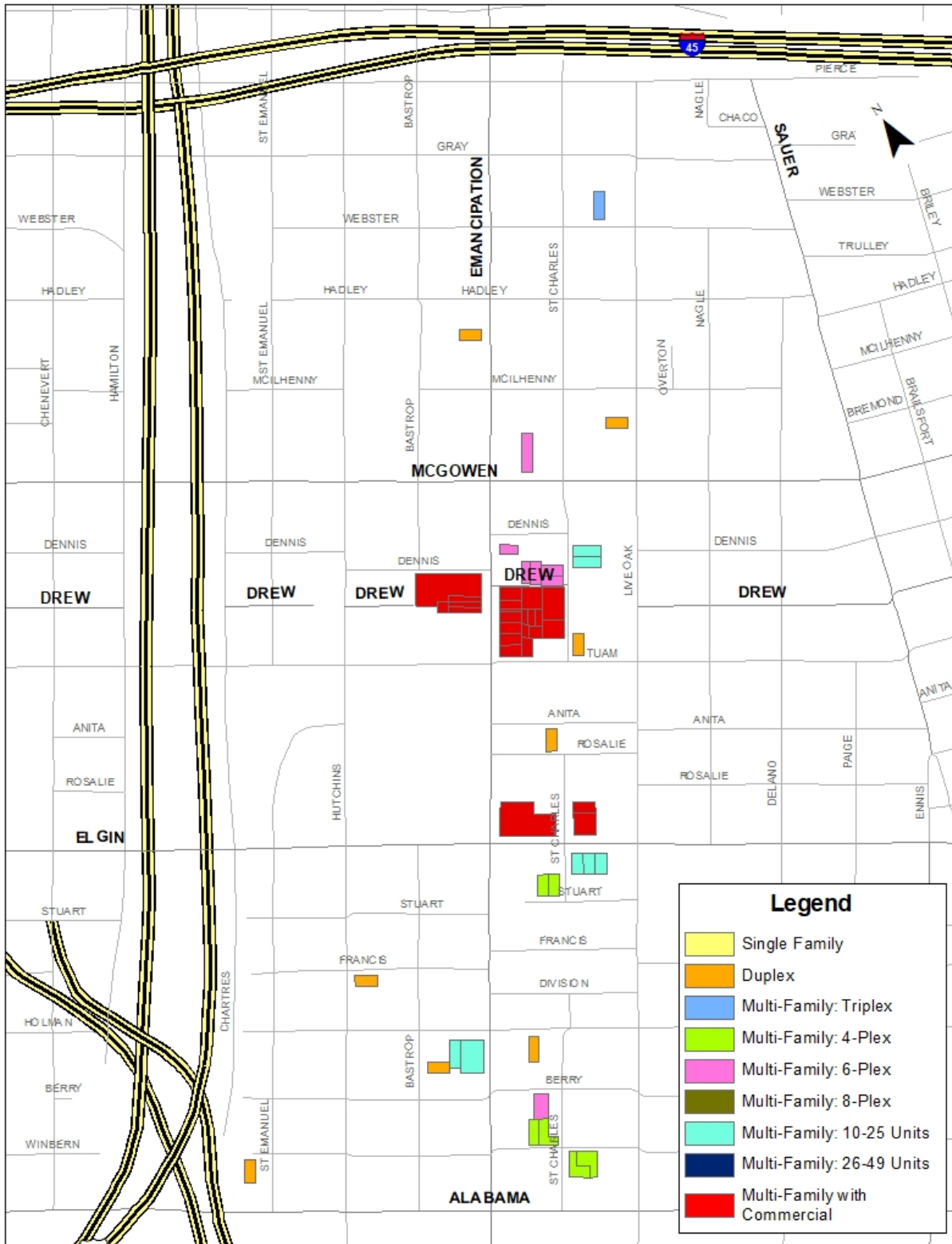


FIGURE 10: NORTH CENTRAL THIRD WARD SECTOR

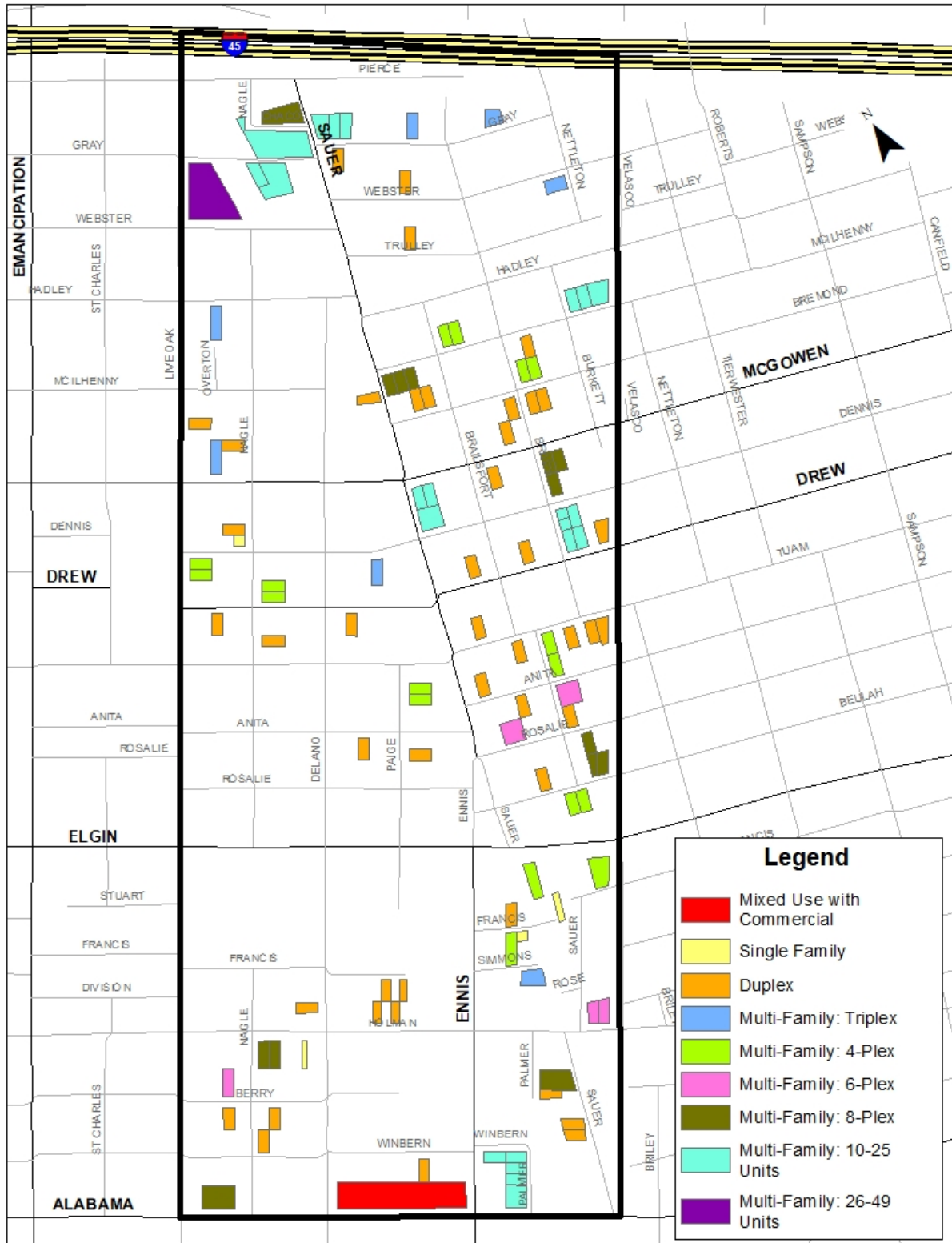


FIGURE 11: NORTHEAST THIRD WARD SECTOR



FIGURE 12: THIRD WARD SOUTH OF ALABAMA SECTOR

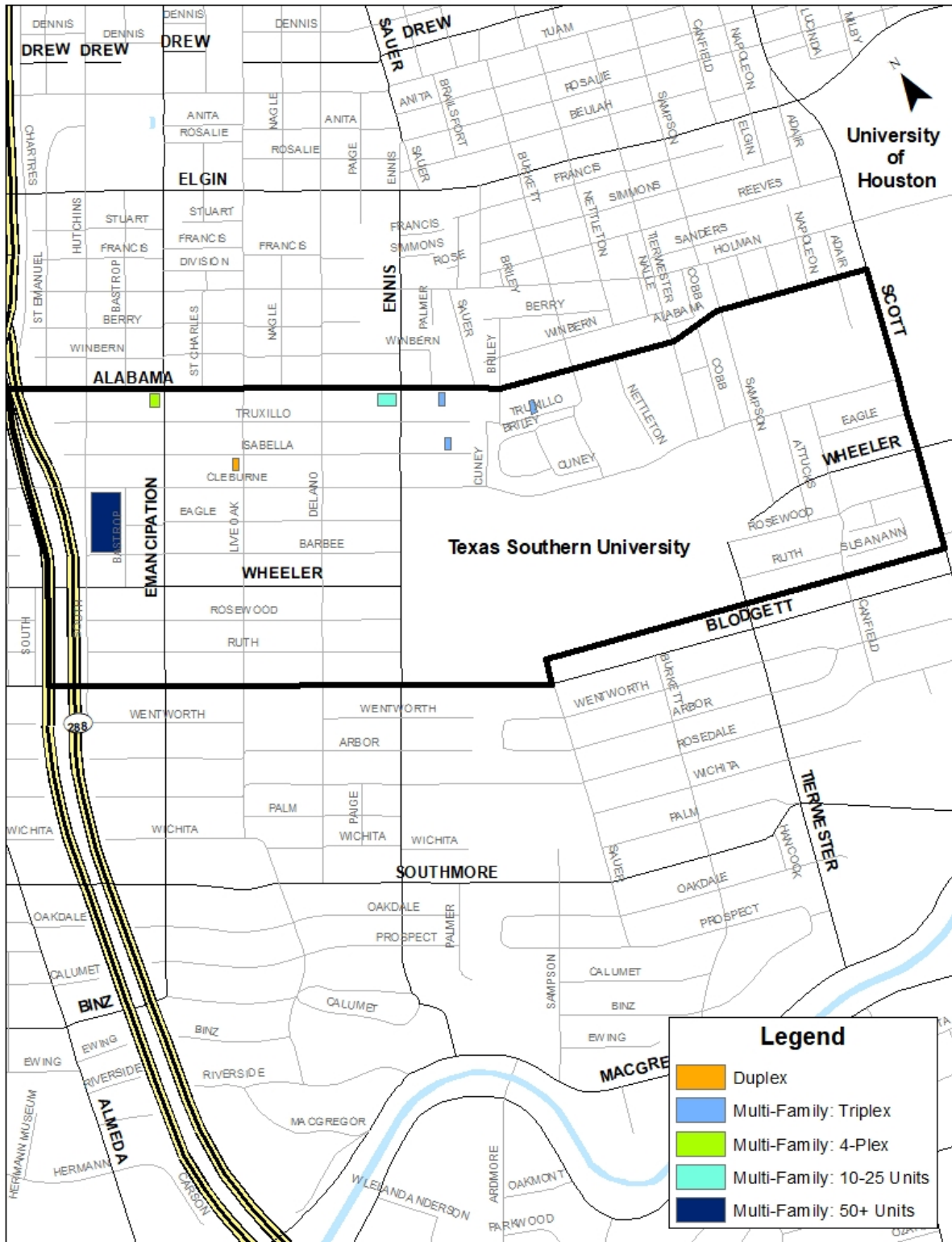


FIGURE 13: MACGREGOR SECTOR

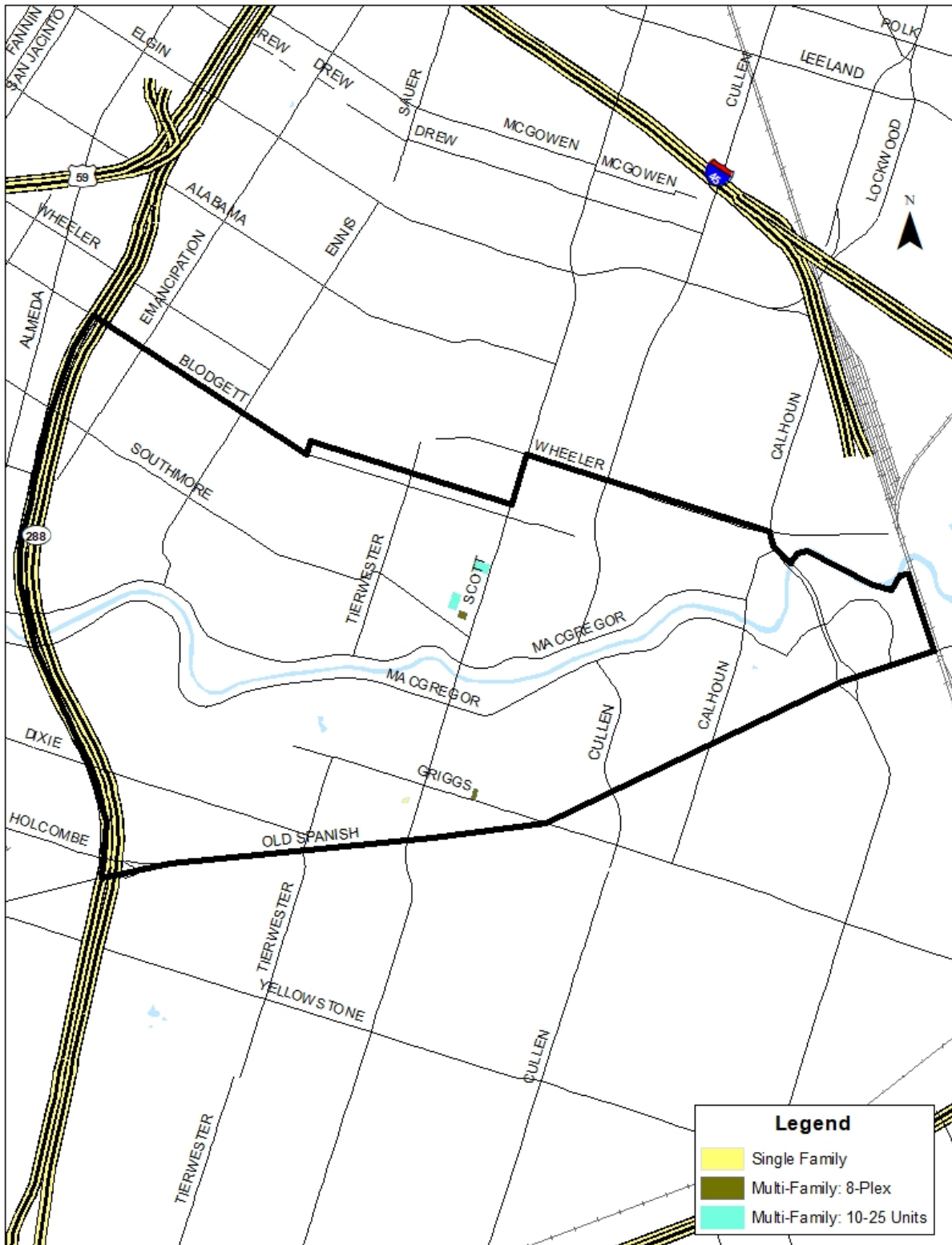


FIGURE 14: NORTH OF GRIGGS SECTOR

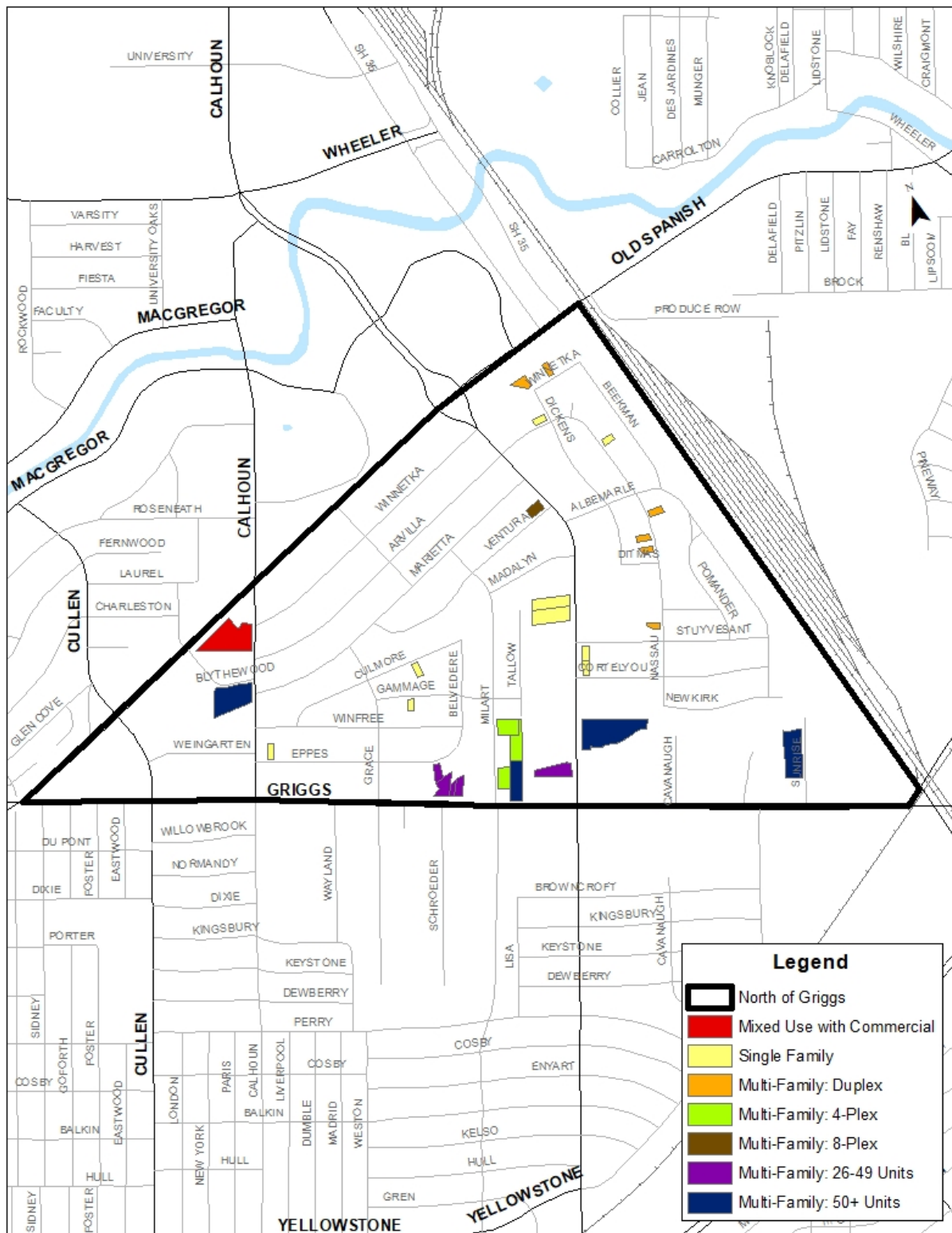
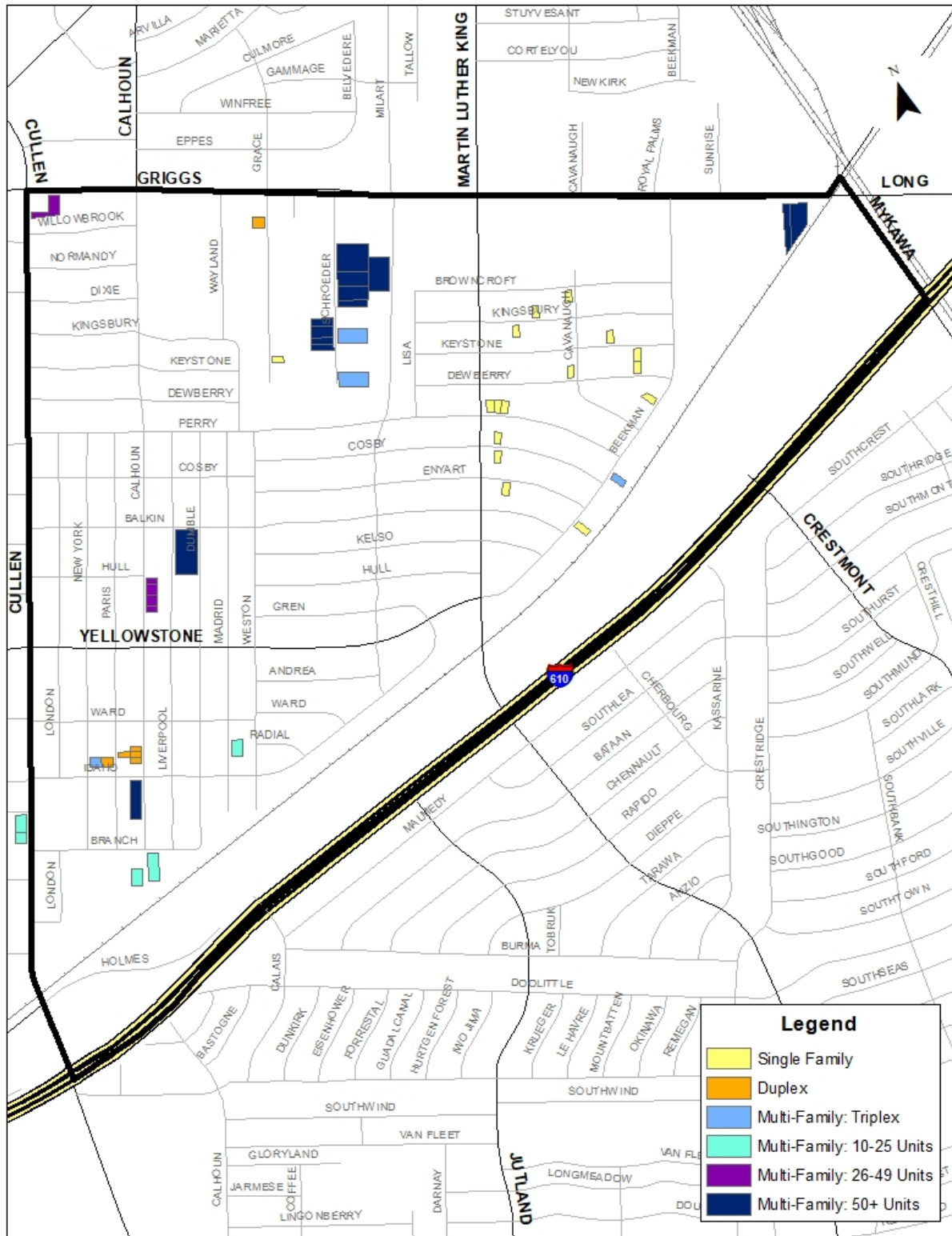


FIGURE 15: SOUTH OF GRIGGS SECTOR



ESTIMATED COST OF THE DEVELOPMENT PROGRAM

The study team has estimated the cost of the Development Program. The basis for the estimate is development costs of \$120 per square foot (including soft costs) for all prototypes, except units proposed to be located in a podium structure. The cost of developing podium buildings is higher and this is reflected in the numbers.

TABLE 9: ESTIMATED COST OF DEVELOPMENT PROGRAM

Prototype	Average Size in Sq. Ft.	Average Construction Cost Per Sq. Ft.	Average Cost Per Unit	# of Units	Total Cost
Units in Podium Buildings	940	\$150	\$141,000	509	\$71,769,000
Units in duplexes, triplexes, 4-plexes, 6-plexes, and 8-plexes	750	\$120	\$90,000	730	65,700,000
Single Family (SF) Detached Units	1200	\$120	\$144,000	210	30,240,000
SF Detached Micro Units	430	\$120	\$51,600	16	825,600
Multi-family Units, 10-50+ Units	940	\$120	\$112,800	1,296	146,188,800
Totals				2,761	\$314,723,400

As shown on **Table 9**, the estimated cost of the Development Program is \$314,723,400.

IMPLEMENTATION TIMING

It is anticipated that implementation of the Development Program will require at least 10 years. It is feasible for development to occur in more than one sector at the same time.

It is recommended that the focus of the first phase of housing production be the multi-family catalyst project proposed for the Emancipation Avenue Mixed-Use District, which is located between Interstate Highway 45 South and Elgin Street. The development of the mixed-use building that will house the Affordable Housing Operations Hub (Ops Hub), 20 units of multi-family housing adjacent to the HUB, as well as 200 units of multi-family housing nearby, will serve notice that projects of the first order of magnitude are underway in the Emancipation Avenue Mixed-Use District/Revive Emancipation! Development. These projects will animate Emancipation Avenue and stimulate other development.

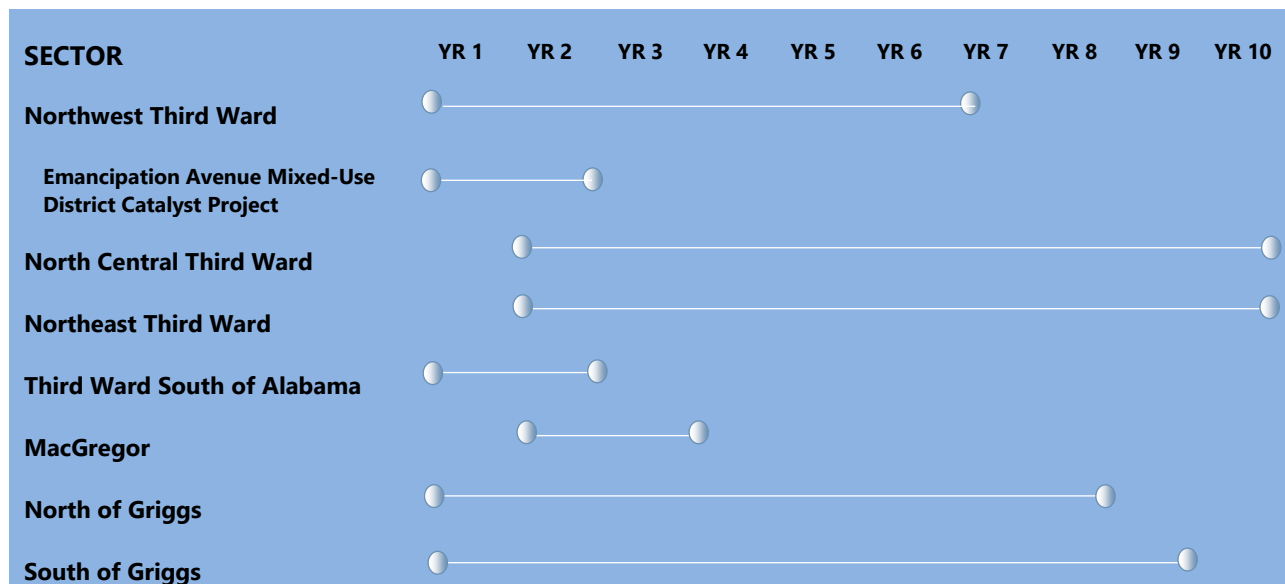
It is proposed that the North of Griggs sector also be slated for early-stage development. There are large tracts where development could occur and a high level of developer interest. Single family development could occur rather quickly.

In the South of Griggs sector, MRA is conveying land to Houston Habitat for Humanity for the construction of seven single-family for-sale units. Also, MRA owns large tracts of land in the sector that are suitable for the development of multi-family structures and town homes. Furthermore, there is a lot of ongoing activity at the Martin Luther King Jr. Boulevard/Griggs Road node in the South of Griggs sector, including a park and YMCA and a light rail transit station, contributing to the fact that this sector would be a good location for development to begin in years 1 and 2. The South of Griggs sector is on the other end of the study area from the Emancipation Avenue Mixed-Use District, so that early projects in that sector would have a separate, but equally beneficial impact.

There are also opportunities for early phase development on small tracts in the other sectors. Early on, these small tracts of land identified by CCPPI and conveyed to housing sponsors that have a good track record, at first, with MRA and later, with CCPPI.

The proposed development timetable appears below. This timetable reflects the period when development begins until it ends. For example, the expectation is that the housing development that is part of the catalyst project will take longer than two years to come to fruition, but the expectation is that it will be completed two years from the time that construction begins.

TABLE 10: DEVELOPMENT PROGRAM IMPLEMENTATION TIMELINE



The development paradigm that is chosen (see **Chapter 9**) could affect this timetable. Multiple developers managed by a master developer could accelerate implementation.

8 AFFORDABLE HOUSING GOALS

A vision of inclusion underpins the numerical goals for the *Southeast Houston Affordable Housing Initiative* is a vision of inclusion. The initiative is meant to reach as broad a range of categories of low-moderate income households as is feasible.

With respect to feasibility, the goals that follow reflect the fact that it will be more feasible to provide for-sale housing at the higher reaches of Area Median Income (AMI).

Households that rent can more feasibly be served across a broader spectrum of household income, although it will be a challenge to reach households with income below 30% of AMI.

Table 11 and **Table 12** below contain goals for buyers and renters.

TABLE 11: AFFORDABLE HOUSING GOALS BY INCOME SEGMENT, FOR-SALE UNITS

INCOME RANGE	FOR SALE UNIT GOAL	
	Number	Percent
80-100% of AMI	208	81
101-120% of AMI	49	19
Totals	257	100

TABLE 12: AFFORDABLE HOUSING GOALS BY INCOME SEGMENT, RENTAL UNITS

INCOME RANGE	RENTAL UNIT GOALS	
	Number	Percent
At or below 30% of AMI	125	5
31%-50% of AMI	501	20
51-80% of AMI	1,252	50
81-100 of AMI	501	20
101-120% of AMI	125	5
Totals	2,504	100

These goals are based on the study team’s analysis of what can reasonably be achieved; inputs include the foregoing affordability analysis and a review of conditions that relate to affordable housing resources. For example, the affordability analysis indicates that it would be very difficult to house a four-person household with income that places it in the 30% of AMI category in a unit of adequate size without deep subsidies, thus the relatively insubstantial goal for this income segment. These households have

traditionally been served by public housing agencies, due to these agencies access to the deep subsidies required to serve them.

POTENTIAL CHALLENGES TO GOAL ATTAINMENT

Delivering affordable housing units is a nationwide challenge and this is no less true where the *Southeast Houston Affordable Housing Initiative* is concerned. Unlike in other cities, zoning does not pose a challenge, but there are other near-universal challenges, such as the time that it takes to secure permits and re-plats, resistance from neighbors, inadequate funding available to close affordability gaps, inadequate amounts of rental assistance vouchers, tight credit conditions, constraints related to the City's desire for adequate supplies of parking, and infrastructure costs.

Changing perspectives at the federal government level have resulted in a tenuous environment for the production of affordable housing units. For example, it is unknown at this writing what the fate of federal HOME and Community Development Block Grant (CDBG) funds will be in the upcoming federal budget, since the elimination of these programs has been proposed. These funds have been a steady, albeit diminishing source of funding for affordable housing for a prolonged period of time. Their elimination or substantial reduction would have a profound effect on the production of affordable housing.

In addition, there are uncertainties regarding the future of the Low Income Housing Tax Credit (LIHTC) program, which has become the country's primary tool for creating affordable housing. Conventional wisdom holds that the program is not likely to be eliminated, but modifications may occur that could mean some deals will require additional soft funds or have to be value engineered to reduce construction costs (<http://www.housingfinance.com/finance/big-changes-jolt-lihtc-market>).

The Texas Department of Community Affairs scoring system for tax credits has been a barrier to development of affordable housing in neighborhoods where schools do not receive a high rating. This criterion has been relaxed for 9% tax credits for a two-year period. However, when the two-year period ends, the challenge may resume. Another barrier for the study area is the fact that it contains minority concentrations, which has also been a barrier to securing Low Income Housing Tax Credits, due to a conflict with federal fair housing legislation.

Public housing agencies have traditionally provided housing for families at or below 30% of Area Median Income, receiving funds from D-HUD to do so. However, this funding has substantially diminished in recent years and is expected to continue to diminish. Also, preferences have been altered to favor families at the 50% AMI level.

It is anticipated that federal funding for affordable housing will not be eliminated in the foreseeable future. Moreover, federal programs are not the only potential resource for providing resources to make it possible to provide affordable housing for households that require some form of subsidy, either on the demand side or the supply side of the equation. At any rate, even when federal resources were more abundant, they were often leveraged with non-federal resources. However, now, more than ever, it is apparent that other resources will have to be created, tapped, and leveraged.

9 PATHWAYS TO SUCCESS

The effective implementation of the *Southeast Houston Affordable Housing Initiative* will require a systematic approach and the application of skill sets that are germane to land development community-building. The strategies that follow are designed to allow CCPPI to steer a path to the successful implementation of the *Southeast Houston Affordable Housing Initiative*.

- **ADOPT A SYSTEMATIC APPROACH TO IMPLEMENTATION OF THE SOUTHEAST HOUSING AFFORDABLE HOUSING INITIATIVE THAT IS EMBODIED IN THE MIDTOWN AFFORDABLE HOUSING PLAN.**

The delivery of thousands of units of affordable housing is a complex undertaking of substantial magnitude. A systematic approach will be required to successfully implement the *Southeast Houston Affordable Housing Initiative* that is embodied in the **Midtown Affordable Housing Plan** and this will require adequate project management, technical, and administrative capacity. Therefore, it is recommended that CCPPI secure a full complement of staff for the Affordable Housing Operations HUB (Operations HUB) that can implement the systematic approach that is required, including utilizing a regular timetable for procuring developers..

- **IMPLEMENT THE DEVELOPMENT PROGRAM DISCUSSED IN CHAPTER 7.**

Following are the steps for implementation of the Development Program.

- **Engage one or more master developers.**

The Development Program incorporates the construction of thousands of units of different types and sizes of housing units on numerous tracts of land, spread out over a substantial geographic area, over a period of years in neighborhoods with differing and unique characteristics. The implementation of such an innovative and complex program could be facilitated if one or more master developer is engaged.

There is more one viable option for managing the development process. Following are three options.

Option 1

One or more master developers could be engaged by CCPPI to perform specified development functions. This paradigm could result in a number of efficiencies and also reduce CCPPI's risk. In this scenario, CCPPI would enter into a binding contract with one or more master developers, setting forth the terms and conditions of the relationship between CCPPI and the master developer(s). Since there are a number of tracts of land to be "taken down," the procurement of more than one master developer might prove to be the optimum approach, if CCPPI chooses this option. This might also enable an acceleration of the timetable depicted in **Chapter 7**.

Option 2

Alternatively, CCPPI can choose to act as master developer. In this scenario, CCPPI would engage and monitor contractors who would construct units on the tracts of land purchased for inclusion in Southeast Houston Affordable Housing Initiative.

Option 3

Thirdly, CCPPI could act as master developer for Emancipation Avenue Mixed-Use District catalyst projects, selecting contractors to construct the buildings. Subsequently, CCPPI could engage one or more master developers to manage the development process for the remaining tracts of land, under CCPPI's direction.

Austin and Galveston have used the master developer paradigm to beneficial effect. In these cities, master developers have been engaged to coordinate the development of large amounts of land. The functions listed in Exhibit A are mostly extracted from the unique, but similar mix of responsibilities with which the contracting entities have tasked their master developers. (Additional details pertaining to how these Texas cities have used the master developer paradigm appear in Appendix A.)

- **Extend the development timetable.**

The study team's recommendations for the timing of development do not extend beyond Year 1. It is recommended that CCPPI prepare a timetable that extends beyond Year 1, in collaboration with the master developer(s) (if CCPPI is not acting as master developer). Experience gained in the early stage of the program could serve as a guide.

- **Seek out resources to close the affordability gap.**

The previous affordability analysis demonstrates that some households will require some form of subsidy in order to afford a housing unit. Thus, one necessary task will be to seek out resources to close the affordability gap. This would be the responsibility of the Operations HUB staff.

EXHIBIT A
SAMPLING OF MASTER DEVELOPER FUNCTIONS

- Acquire the property in phases and deconstruct existing improvements where required.
- Develop housing units on MRA-owned tracts of land other than tracts not set aside for small housing sponsors or arrange for contractors to develop housing on the aforementioned tracts of land.
- Arrange for development financing.
- Secure permits, environmental reviews, and where applicable, development re-plats.
- Monitor production goals and timetables and periodically make adjustments, as needed. (Variables that are not knowable at this writing will affect the production goals presented herein, which are not meant to be final.)
- Review existing restrictive covenants to determine whether modifications are needed in order to ensure that property conveyed to sponsors remains affordable, is used for its intended purposes, and continues to meet design criteria once conveyed to the affordable housing consumer.
- Engage in marketing and promotion efforts to fill the units and attract tenants to mixed-use developments.
- Identify additional, strategically located properties for acquisition.
- Prepare development pro formas for developments to be managed by master developer.
- Review and analyze the development pro formas of small housing sponsors.
- Arrange for the management of rental properties.

- **Ask the City of Houston to support the Development Program.**

Public sector will be required for such activities as construction financing, infrastructure improvements or financing for infrastructure improvements, rehabilitation of substandard housing units in the study area, down payment assistance for for-sale units, subsidies for rental units, low-cost financing and grants, among other public sector resources and incentives.

The selection of the Third Ward sectors are designated as part of the City of Houston Complete Communities Initiative will facilitate collaboration with the City of Houston.

Parking requirements and infrastructure have surfaced repeatedly as issues that inhibit the production of affordable housing. These are issues that especially need to be the focus of dialogue with the City of Houston. If parking requirements could be relaxed within the sectors, especially the Emancipation Avenue Mixed-Use District, more units could be produced.

Also, the extension of the setback guidelines that have been adopted for urban corridors and transit streets would have a beneficial impact in the Emancipation Avenue Mixed-Use District.

It is recommended that the City of Houston be asked to consider creating special set-asides for funding the production of housing under the Southeast Houston Affordable Housing Initiative and special funding set-asides for needed infrastructure improvements, in addition to agreeing to setback allowances, parking allowances, and funding set-asides for the demolition of dangerous buildings and the rehabilitation of buildings that need repair. In addition, it would be desirable for the City to accelerate CIP funding for improvements to the two parks identified in the Parks Master Plan as being deficient (Zurrie Malone and Moses Leroy parks). There are substantial MRA-owned tracts in the vicinity of these parks.

- **COLLABORATE WITH TIRZ#7 AND GREATER HOUSTON SOUTHEAST TO FUND INFRASTRUCTURE IMPROVEMENTS.**

TIRZ #7 and Houston Southeast have the ability to fund infrastructure and have previously collaborated on a **Joint Infrastructure Plan**. Thus, it is recommended that CCPPI enter into discussions with these entities regarding support for the financing of infrastructure improvements, specifically in the support of multi-family developments.

- **SEEK NON-GOVERNMENTAL SUPPORT FOR IMPLEMENTATION OF THE PLAN.**

Resources from non-governmental entities, such as foundations, corporations, lenders, and nonprofit entities can serve to leverage public sector resources. These could include construction financing, technical assistance, staffing for workshops, and reproduction of workshop materials, among other support.

- **PERIODICALLY CONVENE DESIGN REVIEW COMMITTEE, IN COLLABORATION WITH THE MASTER DEVELOPERS).**

The Design Guidelines presented in **Chapter 6** will need to be enforced. It is recommended that a Design Review Committee be formed that consists of CCCPI representatives, MRA representatives, and design professionals and affordable housing practitioners who are willing to volunteer their time to meet periodically to review designs submitted by housing sponsors. If CCPPI does not opt to serve as the Master Developer, it is recommended that the Master Developer(s) participate as a committee member.

- **PERIODICALLY CONVENE HOUSING SPONSOR WORKING SESSIONS**

It would be beneficial for housing sponsors to periodically meet with staff of the Affordable Housing Operations HUB to work through issues that arise, either separately or in a group setting, depending on the topic. These might include issues related to design, financing, and marketing and promotion.

- **OFFER CAPACITY-BUILDING TRAINING FOR HOUSING SPONSORS IN NEED OF IT.**

Some entities that wish to participate in the initiative as housing sponsors will need training to successfully engage. This is an ongoing issue with some of the local Community Development Corporations and Community Housing Development Organizations. In order to facilitate the involvement of these entities, it is recommended that CCPPI offer training in partnership with the City of Houston and other organizations that are involved with housing development, such as Local Initiatives Support Corporation-Houston.

The ability of some small housing sponsors to take advantage of the “carve-outs” that have been previously mentioned might be enhanced through training. This could ultimately lead to the achievement of the underlying economic development goal of supporting small housing sponsors.

- **ESTABLISH A SYSTEM FOR DETERMINING WHICH HOUSEHOLDS GET PREFERENCE FOR OCCUPANCY OF THE NEW UNITS.**

Anticipating that demand for new, sound close-in housing will be high, it is recommended that a system be established for determining which households get first preference for the units that are constructed under the auspices of the *Houston Southeast Affordable Housing Initiative*. For example, first preference could be given to households that currently occupy substandard housing in the study area.

- **ENGAGE IN MARKETING AND PROMOTION ACTIVITIES**

It will be necessary to market the units and promote the *Southeast Houston Affordable Housing Initiative*. By virtue of having offices in the study area, staff of the Affordable Housing Operations HUB will be in an excellent to engage in these activities. Working with study area communities to make them aware of the initiative prior to implementing the Development Program is a role that OPS Hub staff could effectively play.

- **IDENTIFY, FORM, AND MANAGE DEVELOPMENT PARTNERSHIPS, IN COLLABORATION WITH THE MASTER DEVELOPER(S).**

Viable partnerships are going to be critical to the success of the *Southeast Houston Affordable Housing Initiative*. It is a fact that across the nation, delivering affordable housing is a “heavy lift” and requires partnerships among numerous entities to make development occur. Therefore, it is recommended that CCPPI engage with others involved in affordable housing and related community-building activities. **Appendix K** contains a table that lists potential partners and briefly encapsulates their possible roles as collaborators.

- **ADOPT ELEMENTS OF SUCCESSFUL TENANT STEWARDSHIP MODELS.**

The majority of the units in the Development Program are rental units. To ensure residency that stabilizes neighborhoods and inculcates a sense of stewardship that results in better property maintenance and diminished social problems. It is recommended that models be adopted that ensure positive outcomes. Incorporating aspects of rental Community Land Trusts, public housing, Department of Housing and Urban Development HOPE VI, and mutual housing models could result in the achievement of healthy, stable communities. Although for-sale homes are the focus of Habitat for Humanity, its stewardship models are also applicable.

Effective approaches might include the formation of resident associations and crime watch groups, the formation of litter patrols, parenting skills training, and the implementation of periodic clean-up efforts.

- **INVESTIGATE METHODS FOR PROVIDING FOR-SALE UNITS IN A MANNER THAT WOULD FORESTALL WINDFALL PROFITS.**

The Development Program contains no for-sale units in the sectors north of Alabama because of the potential for windfall profits. If a means can be found to forestall this outcome, such as via restrictive covenants, for-sale units should be considered for those sectors. The objective of increasing the number of for-sale units is to stabilize north of Alabama neighborhoods through home ownership.

- **ENCOURAGE RESIDENT PARTICIPATION IN CIVIC LIFE AND PERSONAL ENRICHMENT ACTIVITIES.**

There is an active Super Neighborhood Council and active civic clubs in the study area with which occupants of the new housing can engage. There are also social service programs that are designed to enhance quality of life, counsel homeowners, and improve socio-economic prospects. Therefore, it is proposed that staff of the Affordable Housing Operations HUB encourage residents to become involved with organizations that promote civic, family, and individual enrichment.

- **JOIN WITH OTHERS TO SUPPORT LOCAL AND STATE POLICIES THAT AMPLIFY SUPPORT FOR AFFORDABLE HOUSING IN THE STUDY AREA.**

A policy that serves as a barrier to the development of affordable housing in the study area is the Low Income Housing Tax Credit policy that impedes the development of affordable housing in low-moderate income neighborhoods, by penalizing communities where schools are substandard. Also, public policy pertaining to "heir property" (needs to be modified to reduce blight caused by nonpayment of taxes by long distance, unknowing, and economically disadvantaged heirs. (Heir property is property that has been passed down informally; typically, the original owner died without

a will and often multi-generations and multiple heirs own the land in common, with responsibility for routine upkeep too often neglected.)

- **CONTINUE TO WORK ON COMMUNITY SCHOOL ISSUES.**

School issues that need to be addressed are (1) the fact that the LIHTC scoring system penalizes proposed developments in study area neighborhoods due to the low ratings that its schools receive and (2) there is no middle school in the neighborhood that feeds into Yates High School. It is recommended that CCPPI continue to work on both of these school-related issues because a quality education is key to success in life and also because community schools stabilize neighborhoods.

- **ENGAGE WITH THE MAYOR'S COMPLETE COMMUNITIES TASK FORCE.**

The fact that Houston's mayor has created a Complete Communities Initiative has been previously referenced. Mayor Sylvester Turner has assembled a Complete Communities Task Force that is guiding this effort. The work of this task force will affect the Southeast Houston Affordable Housing Initiative, so it is recommended that the leadership of CCPPI seek involvement with the task force.

APPENDICES

APPENDIX A MASTER DEVELOPER PRECEDENT EXAMPLES

Mueller Airport Property

After accepting the Mueller Airport Master Redevelopment Plan, the City of Austin distributed an RFP for an entity to develop the Mueller site in accordance with the master plan. A development corporation was selected from a pool of bidders. The city and the development corporation entered into an Exclusive Negotiation Agreement giving the development corporation rights to negotiate the terms of an agreement for the redevelopment of the airport property. The agreement enables the City of Austin to minimize its financial risk and maximize its long term financial benefit.

Following are responsibilities extracted from the Mueller Airport Master Developer Agreement scope, which appears at www.austintexas.gov/page/mueller-master-development-agreement (retrieved April 2017).

- Acquire the property in phases and deconstruct existing improvements
- Conduct surveying, site investigations, soils investigations, inspections, and sales and marketing activities
- Construct infrastructure (roads and utilities)
- Prepare and amend pro formas
- Solicit bids from contractors
- Monitor project costs
- Make payments to contractors
- Notify the City of defects in infrastructure work, causing the defects to be corrected, and providing as-built drawings for infrastructure
- Assess, sample, monitor, report, or engage in investigatory activities related to environmental matters, including removal or remediation as required; and deconstructing existing buildings and improvements.

Galveston Housing Authority

The Galveston Master Development Agreement was prepared and executed to enable the implementation of the Galveston Housing Authority Revitalization Plan. Following are Master Developer responsibilities cited in the Master Developer's scope. The MDA is required to ensure: a) that all goals identified in the Rebuilding Plan are to be accomplished through specific activities and programs; b) that all such activities and programs are assigned to specific individuals and/or teams, whether on the Authority staff (as directed by the Authority), Developer staff, or through a contract; c) that adequate funding sources are identified and funds are budgeted to accomplish all activities and programs; and d) that for each such substantial activity or program there are appropriate performance measures and deadlines; provided however, that Developer shall have no responsibility for obligations that are within the sole control of the Authority to meet or that are the Authority's responsibility pursuant to this Agreement. (www.ghatx.org)

The MDA receives compensation for its services in the form of a Developer Fee. Constraints on the amount are included in the Agreement, as are conditions for its payment.

Responsibilities of the Master Developer include:

Initiate, coordinate, and carry out or contract for all design, financing, and construction activities in connection with the development, construction and completion of each Rental Phase under the Rebuilding Plan, subject to delivery by the Authority to the Developer or appropriate Rental Owner Entities of Development Sites in Clean and Buildable Condition and more generally as further provided in and subject to the terms of this Agreement.

Pursue the award and commitment of all sources of construction, gap and permanent financing needed for each Rental Phase in accordance with the Development Budget (including, as needed and as feasible, pursuing alternate sources of funding such as Federal Home Loan Bank and other state and local funds), other than CDBG-DR Funds, Insurance Proceeds and any other Authority Funds.

Close allocations of Federal low-income housing tax credits and/or access to tax-exempt bond volume cap (each as applicable for a given Rental Phase in accordance with the Development Budget), and for tax and financial structuring. Notwithstanding the foregoing, if the Authority or its Affiliate is serving as issuer of tax-exempt bonds then the Authority shall be responsible for associated issuer approvals, including allocation of tax-exempt bond volume cap. The Authority agrees to provide funding commitments and ground lease options necessary to support funding applications submitted by Developer. As such, Developer will provide the proposed program description, pro forma, ownership structure, and draft commitments to the Authority for review a minimum of fourteen (14) days, or a time period otherwise determined by the parties, prior to application due date so that the Authority can comment on and complete the required commitment documents.

The MDA is required to ensure: a) that all goals identified in the Rebuilding Plan are to be accomplished through specific activities and programs; b) that all such activities and programs are assigned to specific individuals and/or teams, whether on the Authority staff

(as directed by the Authority), Developer staff, or through a contract; c) that adequate funding sources are identified and funds are budgeted to accomplish all activities and programs; and d) that for each such substantial activity or program there are appropriate performance measures and deadlines; provided however, that Developer shall have no responsibility for obligations that are within the sole control of the Authority to meet or that are the Authority's responsibility pursuant to this Agreement.

The Developer is responsible for soliciting and selecting third-party lenders and the Investor for each Rental Phase. The Developer will provide the Authority with an opportunity to review and comment on Developer's proposal for soliciting an Investor and lender, and an opportunity to add one or more potential Investors and/or lenders to the list of potential respondents that will receive the proposal (provided that Developer shall not be required to solicit proposals from a potential respondent recommended by the Authority unless the potential respondent would qualify as an acceptable equity partner or lender by reasonable industry standards). The Developer will provide the Authority with copies of all Investor and lender proposals received together with a summary analysis and assessment of the proposals. The Authority shall be invited to comment on any proposals received and to participate in any interviews with respondents scheduled by Developer, but final selection of the Investor and lender shall be the function and responsibility of the Developer, based on demonstrated competitiveness of the selected proposal under then-current market conditions in terms of pricing and related terms and conditions, including pay-in schedule, required guaranties, and bridge financing, and demonstrated reliability of performance in comparable transactions and provided that such selection does not materially increase the risk or responsibility of the Authority from that contemplated pursuant to this Agreement.

The Developer shall disclose, in writing, to the Authority all direct and indirect relationships which the Developer or any of its Affiliates has with the potential Investors or lenders in regard to low-income housing tax credits, bonds and loans, as well as the amounts of any funds, fees, sums, reimbursements or other moneys (regardless of characterization) received or to be received directly or indirectly by the Developer or its Affiliates in regard to the syndication transaction. (www.ghatx.org, retrieved May 2017)

APPENDIX B
FOR-SALE AND RENTAL UNIT COUNT, BY PROTOTYPE & SECTOR

Sector	For-Sale Units					Rental Units					Total Units
	Single Family	SF Detached Micro Units	Duplexes-8-plexes	Multi-Family	Sum of For-Sale Units	Single Family	Duplexes-8-plexes	Multi-Family	Micro Units	Sum of Rental Units	
Northwest Third Ward	0	0	0	0	0	3	78	265	0	346	346
North Central Third Ward	0	0	0	0	0	17	233	197	104	551	551
Northeast Third Ward	0	0	0	0	0	9	356	38	15	418	418
Third Ward South of Alabama	0	0	0	0	0	0	11	112	0	123	123
MacGregor	1	0	16	0	17			50	0	50	67
North of Griggs	162	0	0	0	162	0	14	263	48	325	487
South of Griggs	30	4	20	24	78		2	689	0	691	769
Study Area	193	4	36	24	257	29	694	1,614	167	2,504	2,761

APPENDIX C
PROPOSED DEVELOPMENT PROGRAM
NORTHWEST THIRD WARD SECTOR

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
2405 TUAM ST	3,806	0.10		Single Family	1	For Rent	For-rent single family detached unit
2701 ST CHARLES ST	6,237	0.14	0.28	Multi-Family/Low Density (MF/LD)	12	For Rent	Three-story development, east of St Charles Street; two tracts aggregated
2703 ST CHARLES ST	6,269	0.14					
2501 TUAM ST	5,021	0.11		Duplex	2	For Rent	Two-story development
2418 ANITA ST	5,024	0.12		Duplex	2	For Rent	Two-story development
2522 WEBSTER ST	6,251	0.10		MF/VLD: Triplex	3	For Rent	Three -story town home development - one unit per story (across street from five-story senior housing development)
2411 MCGOWEN ST	8,750	0.20		MF/VLD: 6-Plex	6	For Rent	Three-story development, two units per story
2406 LIVE OAK ST	4,989	0.10		Duplex	2	For Rent	Two-story development, one unit per story
0 EMANCIPATION AVE	5,000	0.10		Duplex	2	For Rent	Two-story development
0 WINBERN ST	5,006	0.11		Duplex	2	For Rent	Two-story development
2208 FRANCIS ST	5,000	0.11		Duplex	2	For Rent	Two-story development, one unit per story
3502 EMANCIPATION AVE	15,240	0.34	0.48	MF/LD	21	For Rent	Three-story apartment building, proximate to three-unit town home development
0 HOLMAN ST	6,325	0.14					
2415 STUART ST	4,858	0.11	0.22	MF/VLD: 4-Plex	4	For Rent	Two units per story
3201 ST CHARLES ST	4,787	0.11					
2508 ELGIN ST	5,168	0.11	0.33	MF/LD	12	For Rent	Three-story apartment building, aggregated tracts
2504 ELGIN ST	5,177	0.11					
2502 ELGIN ST	5,207	0.11					
0 HOLMAN ST	5,084	0.12		Duplex	2	For Rent	Two-story development, one unit per story
2722 EMANCIPATION AVE	3,750	0.09	1.07	Mixed-Use Multi-Family/High Density (MF/HD) +Com-mercial	200	For Rent	Four-story apartment building with ground floor commercial/retail, in Revive Emancipation! District
2720 EMANCIPATION AVE	3,750	0.09					
0 EMANCIPATION AVE	3,750	0.09					
2718 EMANCIPATION AVE	36,009	0.80					
2806 EMANCIPATION AVE	2,500	0.06					

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
2807 EMANCIPATION AVE	5,000	0.11	0.22	MF/LD: 6-Plex	6	For Rent	Three-story 6-plex, two tracts aggregated
2809 EMANCIPATION AVE	5,000	0.11					
2717 EMANCIPATION AVE	6,400	0.15		MF/LD: Triplex	3	For Rent	Three-story triplex
0 EMANCIPATION AVE	3,600	0.08		MF/LD: Triplex	3	For Rent	Three-story triplex
2808 ST CHARLES ST	8,450	0.12		Duplex	2	For Rent	Two-story duplex
2700 ST CHARLES ST	13,284	0.32		MF/LD:8-Plex	8	For Rent	Three-story 8-plex
0 ST CHARLES ST	15,000	0.33		MF/LD: 8-Plex	8	For Rent	Three-story 8-plex
2405 JONES CT	1,746	0.05		Single family	1	For Rent	Single family detached, one-story
2405 TUAM ST	3,816	0.09		Single Family	1	For Rent	Single family detached, one-story
2806 ST CHARLES ST	3,290	0.10		Duplex	2	For Rent	Two-story duplex
0 ST CHARLES ST	5,350		0.54	MF/LD	20	For Rent	Three-story medium-density multi-family development on two aggregated tracts
0 ST CHARLES ST	5,000	0.11					
0 DREW ST	3,821	0.09					
2619 EMANCIPATION AVE	3,146	0.07		MF/VLD: Triplex	3	For Rent	Three-story rental
3509 BASTROP ST	5,097	0.11		Duplex	2	For Rent	Two-story development, one unit per story. (New town home development next door)
5321 BERRY ST	7,904	0.18		MF/VLD: 6-Plex	6	For Rent	Three-story development, two units per story
2415 WINBERN ST	5,270	0.12	0.28	MF/VLD: 4-Plex	4	For Rent	Two-story development; two units per story, two aggregated tracts
3618 ST CHARLES ST	7,064	0.16					
2500 WINBERN ST	7,306	0.18	0.36	MF/VLD: 4-Plex	4	For Rent	Two-story 4-plex development, two units per story, two aggregated tracts
2508 WINBERN ST	7,639	0.18					

APPENDIX D
PROPOSED DEVELOPMENT PROGRAM
NORTH CENTRAL THIRD WARD SECTOR

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
3008 GRAY ST	5,683	0.13	0.44	Multi-Family/Low Density (MF/LD)	15	For Rent	Three-story apartment development across from Interstate Highway 45S
3005 GRAY ST	5,569	0.13					
3003 GRAY ST	7,653	0.18					
2620 CHACO ST	33,655	0.77		Multi-Family/Medium Density (MF/MD)	38	For Rent	Three-story apartment podium structure. across from Interstate Highway 45S
0 CHACO ST	13,401	0.31		Multi-Family: Very Low Density (MF/VLD): 8-Plex	8	For Rent	Two-story development
0 GRAY ST	5,585	0.14	0.56	MF/LD	18	For Rent	Three-story apartment building
0 GRAY ST	18,704	0.43					
3000 GRAY ST	5,173	0.11		Duplex	2	For Rent	Two-story development, one unit per story
2604 GRAY ST	43,297	0.93		MF/MD	45	For Rent	Four-story podium apartment building
2408 SAUER ST	4,562	0.11		Duplex	2	For Rent	Two-story development
3011 BREMOND ST	4,898	0.11		Duplex	2	For Rent	Two-story development
3123 MCILHENNY ST	5,014	0.11	0.42	MF/LD	15	For Rent	Three-story apartment building
3127 MCILHENNY ST	5,028	0.11					
3133 MCILHENNY ST	8,762	0.19					
3025 MCILHENNY ST	3,896	0.11	0.22	MF/VLD: 4-Plex	4	For Rent	Two-story development, two units per story, two tracts aggregated
3029 MCILHENNY ST	4,852	0.11					
3010 MCILHENNY ST	4,778	0.11	0.33	MF/VLD: 8-Plex	8	For Rent	Two-story, attached 8-plex
3006 MCILHENNY ST	4,764	0.11					
3002 MCILHENNY ST	4,747	0.11					
0 BREMOND ST	4,863	0.11		Duplex	2	For Rent	Two-story development,
3106 MCILHENNY ST	4,975	0.11		Duplex	2	For Rent	Two-story development,
3101 BREMOND ST	4,985	0.11	0.22	MF/VLD: 4-Plex	4	For Rent	Four-unit development; two units per story
3102 BREMOND ST	4,979	0.11					
3103 BREMOND ST	4,983	0.11					
3106 BREMOND ST	4,975	0.11		Duplex	2	For Rent	Two-story development
3038 BREMOND ST	4,990	0.11		Duplex	2	For Rent	Two-story development
3037 MCGOWEN ST	5,005	0.11		Duplex	2	For Rent	Two-story development

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
3028 MCGOWEN ST	4,974	0.11		Duplex	2	For Rent	Two-story development
0 MCGOWEN ST	4,995	0.11	0.45	MF/LD	15	For Rent	Three-story apartment building, three tracts aggregated
3002 MCGOWEN ST	4,992	0.11					
3001 DENNIS ST	10,030	0.23					
3104 MCGOWEN ST	4,982	0.11	0.33	MF/VLD: 8-Plex	8	For Rent	Three-story development, two-three units per story
3102 MCGOWEN ST	4,984	0.11					
3101 DENNIS ST	5,026	0.11					
3106 DENNIS ST	4,974	0.11	0.45	MF/LD	15	For Rent	Three-story apartment building; two houses from the Columbia Tap Trail, five aggregated tracts
3102 DENNIS ST	2,463	0.06					
3101 DREW ST	5,001	0.11					
3103 DREW ST	4,998	0.11					
2709 BRILEY ST	2,507	0.06					
3121 DREW ST	5,188	0.11		Duplex	2	For Rent	Two-story development
3015 DREW ST	5,027	0.11		Duplex	2	For Rent	Two-story development,
0 DREW ST	5,032	0.11		Duplex	2	For Rent	Two-story development
3005 ANITA ST	5,056	0.11		Duplex	2	For Rent	Two-story development
3101 ANITA ST	4,981	0.11	0.22	MF/LD: 4-Plex	4	For Rent	Two-story development, two units per story, two aggregated tracts, corner lot
2901 BRAILSFORT ST	5,007	0.11					
3114 TUAM ST	4,986	0.11		Duplex	2	For Rent	Two-story development
3124 TUAM ST	5,068	0.12		Duplex	2	For Rent	Two-story development, one unit per story, on the west side of the Columbia Tap Trail
3126 TUAM ST	5,310	0.12		Duplex	2	For Rent	Two-story development
3003 BRAILSFORT ST	9,912	0.23		MF/LD: 6-Plex	6	For Rent	Three-story development, two units per story
3013 BRAILSFORT ST	4,994	0.11		Duplex	2	For Rent	Two-story development
3016 ANITA ST	5,001	0.11		Duplex	2	For Rent	Two-story development
3009 ROSALIE ST	10,019	0.23		MF/LD: 6-Plex	6	For Rent	Three-story development, two units per story
3013 BEULAH ST	4,998	0.11		Duplex	2	For Rent	Two-story development
3106 ROSALIE ST	5,045	0.11	0.31	MF/LD: 8-Plex	8	For Rent	Three-story development, two-three units per story, four aggregated tracts
0 BEULAH ST	3,673	0.08					
3114 BEULAH ST	5,189	0.12					
3024 BEULAH ST	4,981	0.11	0.23	MF/VLD: 4-Plex	4	For Rent	Two-story development, two units per story, two aggregated tracts
3026 BEULAH ST	5,076	0.12					

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
3005 BEULAH ST	5,000	0.11	0.33	Single family	12	For Rent	Single family detached micro units proposed for three aggregated parcels, could house seniors
3009 BEULAH ST	5,000	0.11					
3011 BEULAH ST	5,000	0.11					
3409 SAUER ST	2,136	0.05		Single family	1	For Rent	Small tract, may be necessary to construct a small unit on it
3035 GRAY ST	5,497	0.13		MF/VLD: Triplex	3	For Rent	Three-story development, one unit per story, proximate to very low density development
3115 GRAY ST	5,647	0.13		MF/VLD: Triplex	3	For Rent	Three-story development, two units per story (one block from the Columbia Tap Trail)
3128 WEBSTER ST	6,100	0.14		MF/VLD: Triplex	3	For Rent	Three-story development, one unit per story (across the street from five-story senior housing development)
2610 HADLEY ST	7,531	0.17		MF/VLD: Triplex	3	For Rent	Three-story development, one unit per story
2520 NAGLE ST	4,999	0.11		Duplex	2	For Rent	Two-story development, one unit per story
2609 MCGOWEN ST	7,498	0.17		MF/VLD: Triplex	3	For Rent	Three-story development, one unit per story
0 LIVE OAK ST	4,999	0.11		Duplex	2	For Rent	Two-story development
2804 DREW ST	5,000	0.11		Duplex	2	For Rent	Two-story development
2620 NAGLE ST	2,530	0.06		Single family detached	1	For Rent	Single family rental unit
2614 NAGLE ST	4,983	0.11		Duplex	2	For Rent	Two-story development
2701 LIVE OAK ST	5,000	0.11	0.22	MF/VLD: 4-Plex	4	For Rent	Two-story development, two units per story
2709 LIVE OAK ST	5,000	0.11					
2610 DREW ST	4,996	0.11		Duplex	2	For Rent	Two-story development, one unit per story
2811 NAGLE ST	4,985	0.11		Duplex	2	For Rent	Two-story development
3413 SAUER ST	4,749	0.11	0.23	MF/LD: 6-Plex	6	For Rent	Six-unit development, two units per story, aggregated tracts abutting Columbia Tap Trail; can possibly achieve higher rents due to views
0 HOLMAN ST	5,212	0.12					
2836 WINBERN ST	4,157	0.09		Duplex	2	For Rent	Two-story development

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
3002 WINBERN ST	4,807	0.11	0.66	MF/LD	24	For Rent	Three-story apartment building, five aggregated tracts
0 WINBERN ST	4,817	0.11					
3706 PALMER ST	4,806	0.11					
3710 PALMER ST	4,900	0.11					
3011 ALABAMA ST	9,678	0.22					
2828 FRANCIS ST	3,470	0.09		Duplex	2	For Rent	Two-story development
2801 ALABAMA ST	69,642	1.66		MF/HD Mixed Use (50+ units and commercial)	104	For Rent	Three-story apartment building with micro units (<i>aka</i> studio apartments) above one-story podium with ground story commercial space; entire block across street from TSU community garden, could be transitional housing or multi-generational housing
2908 ALABAMA ST	15,575	0.36		MF/LD	12	For Rent	Two-story apartment building, tract is adjacent to tracts owned by TSU, could be part of a faculty and/or grad student housing compound or could be transitional housing.
2825 HOLMAN ST	3,974	0.09		Duplex	2	For Rent	Two-story development, one unit per story
2817 HOLMAN ST	3,948	0.09		Duplex	2	For Rent	Two-story development, one unit per story
2822 FRANCIS ST	3,973	0.09		Duplex	2	For Rent	Two-story development, one unit per story
2615 BERRY ST	6,201	0.14		MF/VLD: 6-Plex	6	For Rent	Two-story development, one unit per story
2702 HOLMAN ST	6,168	0.14	0.28	MFV/VLD: 8-Plex	8	For Rent	Two-story eight-unit development, two-three units per story, two aggregated tracts
0 HOLMAN ST	6,142	0.14					
2716 HOLMAN ST	3,119	0.07		Single Family	1	For Rent	Single family detached rental unit
2704 BERRY ST	5,081	0.11		Duplex	2	For Rent	Two-story development
2701 WINBERN ST	5,085	0.11		Duplex	2	For Rent	Two-story development
2618 BERRY ST	5,068	0.11		Duplex	2	For Rent	Two-story development
2605 ALABAMA ST	15,018	0.34		MF/VLD: 8-Plex	8	For Rent	Two-story development
3022 TUAM ST	5,013	0.12		Duplex	2	For Rent	Two-story development

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
2314 ALABAMA ST	8,782	0.21		MF/VLD: 4-Plex	4	For Rent	Two-story development, southwest corner of Emancipation Ave and Alabama St
3412 DELANO ST	4,407	0.10		Duplex	2	For Rent	Two-story development
3027 WEBSTER ST	5,237	0.12		Duplex	2	For Rent	Two-story development
3019 TRULLEY ST	5,106	0.12		Duplex	2	For Rent	Two-story development
2715 NAGLE ST	4,999	0.11	0.22	MF/LD: 4-Plex	4	For Rent	Two units per story, two aggregated tracts, corner lot
2717 NAGLE ST	5,033	0.11					
2814 DENNIS ST	5,757	0.14		MF/LD: Triplex	3	For Rent	Three-story development
3005 TUAM ST	5,000	0.11		Duplex	2	For Rent	Two-story development
3005 PAIGE ST	5,049	0.12		Duplex	2	For Rent	Two-story development
2903 PAIGE ST	5,000	0.11	0.22	MF/LD: 4-Plex	4	For Rent	Two-story development, two aggregated tracts
2905 PAIGE ST	5,000	0.11					
2810 ANITA ST	5,000	0.11		Duplex	2	For Rent	Two-story development
0 HOLMAN ST	3,608	0.08		Single Family	1	For Rent	Single family detached rental unit
3006 ELGIN ST	8,255	0.18		MF/LD: 4-Plex	4	For Rent	Two-story development, two units per story
3035 FRANCIS ST	10,986	0.19		MF/LD: 4-Plex	4	For Rent	Two-story development, two units per story
3013 FRANCIS ST	5,040	0.11		Duplex	2	For Rent	Two-story development
3015 SIMMONS ST	7,253	0.17		MF/LD: 4-Plex	4	For Rent	Two-story development, two units per story
0 FRANCIS ST	2,242	0.05		Single Family	1	For Rent	Single family rental unit
3020 SIMMONS ST	7,371	0.16		MF/LD: Triplex	3	For Rent	Three-story development
3622 SAUER ST	5,009	0.11		Duplex	2	For Rent	Two-story development
3624 SAUER ST	4,640	0.10		Duplex	2	For Rent	Two-story development
3519 PALMER ST	3,943	0.09		Duplex	2	For Rent	Two-story development
0 ALABAMA ST	13,606	0.28		MF/LD: 8-Plex	8	For Rent	Two units per floor, faces Columbia Tap Trail, so higher rents are possible

APPENDIX E
PROPOSED DEVELOPMENT PROGRAM
NORTHEAST THIRD WARD SECTOR

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
2415 MILBY ST	5,055	0.11		Duplex	2	For Rent	Two-story development
3711 BREMOND ST	5,034	0.11		Duplex	2	For Rent	Two-story development
2410 CALLIE ST	10,080	0.23		Multi-Family/Very Low Density (MF/VLD): 4-Plex	4	For Rent	Two units per story; corner tract next to an industrial site
3610 BREMOND ST	4,809	0.11		Duplex	2	For Rent	Two-story development, one unit per story
3602 BREMOND ST	4,780	0.11		Duplex	2	For Rent	Two-story development, one unit per story, corner tract
0 DENNIS ST	5,057	0.11		Duplex	2	For Rent	Two-story development, one unit per story, corner lot
2610 MILBY ST	5,003	0.11		Duplex	2	For Rent	Town home development, one unit per story, west of Milby Street
0 MCILHENNY ST	2,105	0.05	0.44	MF/VLD: 8-Plex	8	For Rent	Eight-unit development, two units per story, aggregated tracts
0 MCILHENNY ST	1,404	0.03					
0 MCILHENNY ST	1,404	0.03					
0 MCILHENNY ST	1,755	0.04					
0 MCILHENNY ST	1,913	0.04					
0 MCILHENNY ST	1,913	0.04					
0 MCILHENNY ST	1,913	0.04					
0 MCILHENNY ST	2,104	0.05					
0 MCILHENNY ST	1,402	0.03					
0 MCILHENNY ST	1,402	0.03					
0 MCILHENNY ST	1,752	0.04					
3506 TUAM ST	4,969	0.11					
2901 SCOTT ST	10,728	0.22					
0 DENNIS ST	5,000	0.11		Duplex	2	For Rent	Two-story development
3512 ANITA ST	5,000	0.11		Duplex	2	For Rent	Two-story development

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
0 ANITA ST	4,993	0.11		Duplex	2	For Rent	Two-story development, corner tract, northeast corner of Lucinda and Anita streets
3611 ANITA ST	5,023	0.11		Duplex	2	For Rent	Two-story development,
0 ANITA ST	4,978	0.11		Duplex	2	For Rent	Two-story development, northwest corner of Anita and Milby streets
3703 ANITA ST	4,940	0.11	0.22	MF/VLD: 4-Plex	4	For Rent	Two-story development, two tracts aggregated, northeast corner of Anita and Milby streets
0 ANITA ST	4,939	0.11					
3719 ANITA ST	4,964	0.11		Duplex	2	For Rent	Two-story development
3716 TUAM ST	4,903	0.11		Duplex	2	For Rent	Two-story development
0 DREW ST	4,872	0.11		Duplex	2	For Rent	Two-story development
0 DENNIS ST	4,963	0.11		Duplex	2	For Rent	Two-story development
3519 BREMOND ST	5,000	0.11	0.22	MF/VLD: 4-Plex	4	For Rent	Four-unit development, two units per story; aggregated tracts
3523 BREMOND ST	5,000	0.11					
2714 MILBY ST	5,000	0.11		Duplex	2	For Rent	Two-story development, corner lot, northwest of Drew and Milby streets
3614 DENNIS ST	5,000	0.11		Duplex	2	For Rent	Two-story development, one unit per story
0 ANITA ST	4,958	0.11	0.22	MF/VLD: 4-Plex	4	For Rent	Two-story development, aggregated corner tract at the SW corner of Callie and Anita streets
0 ANITA ST	4,928	0.11					
3316 DENNIS ST	5,800	0.13	0.47	MF/VLD: 8-Plex	8	For Rent	Two-story development, four units per story
3324 DENNIS ST	5,149	0.12					
3320 DENNIS ST	4,774	0.11					
3310 DENNIS ST	4,993	0.11					
3333 DENNIS ST	5,000	0.11		Duplex	2	For Rent	Two-story development

MIDTOWN AFFORDABLE HOUSING PLAN DRAFT

SEPTEMBER 2017

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
2614 SAMPSON ST	5,000	0.11		Duplex	2	For Rent	Two-story development, frontage on Sampson, sidewalks
3318 BREMOND ST	4,994	0.11		Duplex	2	For Rent	Town home, one unit per story
3341 MCGOWEN ST	4,931	0.11		Duplex	2	For Rent	Two-story development, corner lot
3422 BREMOND ST	4,985	0.11		Duplex	2	For Rent	Town home development
2501 SAMPSON ST	9,864	0.23	0.46	Multi-Family/ Medium Density (MF/MD)	29	For Rent	Three-story multi-family (15 micro units, <i>aka</i> studio apartments, and 14 larger units), building would face McGowen St., with shared parking entrance off Sampson St.
3401 MCGOWEN ST	4,925	0.11					
3403 MCGOWEN ST	4,962	0.11					
3430 ROSALIE ST	5,081	0.12	0.23	MF/VLD: 4-Plex	4	For Rent	Two-story development, corner of Rosalie and Canfield streets
3424 ROSALIE ST	4,972	0.11					
3411 BEULAH ST	5,060	0.12		Duplex	2	For Rent	Two-story development
0 BEULAH ST	4,974	0.11	0.34	Multi-Family/Low Density (MF/LD)	15	For Rent	Five units per story, facing Elgin, use Beulah Street tract for parking, TOD zone
0 ELGIN ST	2,495	0.06					
0 ELGIN ST	5,009	0.11					
3210 CANFIELD ST	2,511	0.06					
0 RUGLEY ST	4,913	0.11		MFV/VLD: Triplex	3	For Rent	Three-story development, located in a TOD zone
2813 CANFIELD ST	4,903	0.11	0.22	MF/VLD: 4-Plex	4	For Rent	Four-unit development, two units per story; two 4-plexes on aggregated tracts, possibly use PRH-CDC model, same block as PRH-CDC development
2819 CANFIELD ST	4,870	0.11					
2502 NAPOLEON ST	6,175	0.14		MF/VLD: Triplex	3	For Rent	Two units per story, corner site proximate to the Purple Line LRT
0 NAPOLEON ST	6,229	0.14		MF/VLD: Triplex	3	For Rent	Town home development, close to Napoleon and McGowen streets, proximate to dilapidated two-story structures at Dennis and Canfield streets

MIDTOWN AFFORDABLE HOUSING PLAN DRAFT

SEPTEMBER 2017

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
3201 MCILHENNY ST	5,012	0.11	0.23	MF/VLD: 6-Plex	6	For Rent	East of the Columbia Tap, north and south of McIlhenney St., two units per story
3202 MCILHENNY ST	5,032	0.11					
3229 BREMOND ST	5,021	0.11		Duplex	2	For Rent	Two-story duplex
3312 MCILHENNY ST	5,340	0.13	0.24	MF/VLD: 6-Plex	6	For Rent	Six-unit development; two units per story
3316 MCILHENNY ST	4,739	0.11					
3210 MCGOWEN ST	4,753	0.11		Duplex	2	For Rent	Two-story development, proposing frontage on McGowen Street, with decks facing Columbia Tap Rail Trail
3213 DENNIS ST	5,031	0.12		Duplex	2	For Rent	Two-story development
3305 DREW ST	1,674	0.04		Single Family	1	For Rent	Single family detached rental unit
3309 DREW ST	5,015	0.12		Duplex	2	For Rent	Two-story development
3225 DREW ST	5,194	0.12		Duplex	2	For Rent	Two-story development
2718 TIERWESTER ST	5,079	0.12		Duplex	2	For Rent	Two-story development, frontage on Drew St, long, narrow lot
3205 DREW ST	4,443	0.10		Duplex	2	For Rent	Would front on Drew, with decks facing Columbia Tap Rail Trail
3223 TUAM ST	5,314	0.12	0.24	MF/VLD: 4-Plex	8	For Rent	Two 4-plexes, adjacent to Zurrie Malone Park, aggregated tracts
3225 TUAM ST	5,312	0.12					
3312 DREW ST	5,201	0.12		Duplex	2	For Rent	Two-story development
3009 SAMPSON ST	4,918	0.11		Duplex	2	For Rent	Two-story development
3418 TUAM ST	4,997	0.11		Duplex	2	For Rent	Two-story development

MIDTOWN AFFORDABLE HOUSING PLAN DRAFT

SEPTEMBER 2017

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
3408 TUAM ST	4,962	0.11		Duplex	2	For Rent	Two-story development
3423 ANITA ST	4,930	0.11		Duplex	2	For Rent	Two-story development
3322 DREW ST	5,310	0.12		Duplex	2	For Rent	Two-story development
3317 TUAM ST	5,332	0.12		Duplex	2	For Rent	Two-story development
3327 TUAM ST	5,301	0.12		Duplex	2	For Rent	Two-story development
0 TUAM ST	5,240	0.12		Duplex	2	For Rent	Two-story development
3421 TUAM ST	5,211	0.12		Duplex	2	For Rent	Two-story development
2806 CANFIELD ST	4,460	0.10		Single Family	1	For Rent	Single family detached rental unit
3414 DENNIS ST	5,010	0.12		Duplex	2	For Rent	Two-story development
3425 DREW ST	5,004	0.11		Duplex	2	For Rent	Two-story development
3427 DREW ST	5,015	0.12		MF/VLD: Triplex	3	For Rent	One unit per story
3340 MCILHENNY ST	4,367	0.10		Duplex	2	For Rent	Two-story development
3336 MCILHENNY ST	4,721	0.11		Duplex	2	For Rent	Two-story development
0 BREMOND ST	4,530	0.11	0.33	MF/VLD: 6-Plex	6	For Rent	Three-story 6-plex, two units per story
3329 BREMOND ST	4,526	0.11					
3333 BREMOND ST	4,534	0.11					
3427 BREMOND ST	5,076	0.11	0.22	MF/VLD: 4-Plex	4	For Rent	Two-story development; two units per story, corner lot
3431 BREMOND ST	5,055	0.11					
0 NETTLETON ST	4,987	0.11		Duplex	2	For Rent	Two-unit development, one unit per story
3205 ANITA ST	5,028	0.12		Duplex	2	For Rent	One unit per story, one block from the Columbia Tap Rail Trail, frontage on Burkett Street
3302 TUAM ST	5,012	0.12	0.24	MF/LD: 6-Plex	6	For Rent	Three-story micro-unit/studio apartment development
3304 TUAM ST	5,013	0.12					
3316 TUAM ST	4,993	0.11		Duplex	2	For Rent	Two-story development
3316 ANITA ST	5,006	0.11		Duplex	2	For Rent	Two-story development
0 ROSALIE ST	5,070	0.12		Duplex	2	For Rent	Two-story development
3214 ANITA ST	3,995	0.09		Duplex	2	For Rent	Two-story development

MIDTOWN AFFORDABLE HOUSING PLAN DRAFT

SEPTEMBER 2017

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
3220 ANITA ST	3,955	0.09		Duplex	2	For Rent	Two-story development
0 ROSALIE ST	4,011	0.09		Duplex	2	For Rent	Two-story development
3215 BEULAH ST	5,159	0.12		Duplex	2	For Rent	Two-story development
3219 BEULAH ST	2,747	0.06		Single Family	1	For Rent	Single family detached rental unit
3221 BEULAH ST	2,342	0.05		Single Family	1	For Rent	Single family detached rental unit
3212 ROSALIE ST	4,968	0.11		Duplex	2	For Rent	Two-story development
3224 ROSALIE ST	4,989	0.11		Duplex	2	For Rent	Two-story development
3237 BEULAH ST	1,696	0.04		Single Family	1	For Rent	Single family detached rental unit
3235 BEULAH ST	2,949	0.07		Single Family	1	For Rent	Single family detached rental unit
3239 BEULAH ST	1,667	0.04		Single Family	1	For Rent	Single family detached rental unit
3325 BEULAH ST	4,855	0.11		Duplex	2	For Rent	Two-story development
3317 BEULAH ST	4,941	0.11		Duplex	2	For Rent	Two-story development
3244 BEULAH ST	5,000	0.11		Duplex	2	For Rent	Two-story development
0 SAMPSON ST	5,978	0.14		MF/VLD: Triplex	9	For Rent	Three detached triplexes, freeway frontage
3319 WEBSTER ST	4,027	0.09		Duplex	2	For Rent	Two-story development
3318 WEBSTER ST	3,998	0.09		Duplex	2	For Rent	Two-story development
3317 HADLEY ST	4,020	0.09		Duplex	2	For Rent	Two-story development
3318 HADLEY ST	3,993	0.09		Duplex	2	For Rent	Two-story development
3335 MCILHENNY ST	4,000	0.09		Duplex	2	For Rent	Two-unit development
3407 WEBSTER ST	4,019	0.09	0.27	MF/LD	12	For Rent	Three-story apartment development on one-story podium above at-grade parking, freeway frontage
3411 WEBSTER ST	4,599	0.11					
3415 WEBSTER ST	3,181	0.07					
0 WEBSTER ST	3,978	0.09		Duplex	2	For Rent	Two-story development
3428 WEBSTER ST	3,987	0.09		Duplex	2	For Rent	Two-story development
3405 HADLEY ST	4,027	0.09		Duplex	2	For Rent	Two-story development
3406 HADLEY ST	4,084	0.09		Duplex	2	For Rent	Two-story development
3411 HADLEY ST	4,018	0.09		Duplex	2	For Rent	Two-story development

MIDTOWN AFFORDABLE HOUSING PLAN DRAFT

SEPTEMBER 2017

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
3415 HADLEY ST	4,031	0.09		Duplex	2	For Rent	Two-story development
3423 HADLEY ST	4,024	0.09		Duplex	2	For Rent	Two-story development
3308 ELGIN CT	4,578	0.11		MF/VLD: 4-Plex	4	For Rent	Two-story development, two units per story
3307 ELGIN ST	6,027	0.14		MF/VLD: 6-Plex	6	For Rent	Three-story development, two units per story, in TOD zone
3507 TIERWESTER ST	3,831	0.09		Duplex	2	For Rent	Two-unit development, one unit per story
0 FRANCIS ST	8,000	0.18		Duplex	6	For Rent	Three duplexes, two units per story.
0 SIMMONS ST	5,000	0.11		Duplex	2	For Rent	Two-story development
3346 SIMMONS ST	4,004	0.09	0.37	Duplex	8	For Rent	Four two-story detached duplexes
3354 SIMMONS ST	4,318	0.10					
3356 SAMPSON ST	7,665	0.18					
3346 SAMPSON ST	3,203	0.07		Duplex	2	For Rent	Two-story development
3424 SIMMONS ST	4,093	0.09		Duplex	2	For Rent	Two-story development
3450 SIMMONS ST	4,126	0.09		Duplex	2	For Rent	Two-story development
3341 SAMPSON ST	5,118	0.12		Duplex	2	For Rent	Two-story development corner lot
3411 SANDERS ST	5,030	0.12	0.24	MF/VLD: 6-plex	6	For Rent	Corner lot, dead ends to Holman Street Baptist Church, a junk yard is proximate
3413 SAMPSON ST	5,067	0.12					
3341 SANDERS ST	5,036	0.12		Duplex	2	For Rent	Two-story development corner lot
3419 SIMMONS ST	3,802	0.09		Duplex	2	For Rent	Two-story development
0 FRANCIS ST	5,045	0.12		Duplex	2	For Rent	Two-story development
3247 FRANCIS ST	5,028	0.12		Duplex	2	For Rent	Two-story development
3322 FRANCIS CT	4,340	0.10		Duplex	2	For Rent	Two-story development
3250 FRANCIS ST	4,321	0.10		Duplex	2	For Rent	Two-story development
3207 SIMMONS ST	6,920	0.16		MF/VLD: 6-Plex	6	For Rent	Two units per story, east of and adjacent to the Columbia Tap, so higher rentals may be possible
3253 REEVES ST	4,000	0.09		Duplex	2	For Rent	Two-story development
3417 NALLE ST	4,011	0.09	0.18	MF/VLD: 4-Plex	4	For Rent	Two units per story, similar to 3411 Sanders, same neighborhood
3419 NALLE ST	4,000	0.09					

MIDTOWN AFFORDABLE HOUSING PLAN DRAFT

SEPTEMBER 2017

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
0 HOLMAN ST	7,002	0.16		MF/VLD: 6-Plex	6	For Rent	Three units per story, corner lot
3228 HOLMAN ST	4,003	0.09		Duplex	2	For Rent	Two-story development
3235 BERRY ST	5,000	0.11	0.36	Duplex	8	For Rent	Eight-unit development, four units per story; proposing the aggregation of three tracts and use of the Project Row House-CDC model
3239 BERRY ST	4,005	0.09					
3251 BERRY ST	6,862	0.16					
3624 BRILEY ST	6,677	0.15		MF/LD: 6-Plex	6	For Rent	Three stories, two units per story, adjacent to the Columbia Tap Rail Trail and proximate to the Third Ward Multi-Service Center
0 BERRY ST	6,073	0.14		MF/LD: Triplex	3	For Rent	Three stories, one unit per story, corner lot
3318 HOLMAN ST	4,019	0.09		Duplex	2	For Rent	Two-story development
3501 NETTLETON ST	9,760	0.22		MF/LD: 4-Plex	8	For Rent	Two 4-plexes, two units per story
3517 NETTLETON ST	4,798	0.11		Duplex	2	For Rent	Two-story development
3309 WINBERN ST	3,837	0.09		Duplex	2	For Rent	Two-story development
0 WINBERN ST	5,405	0.12		Duplex	2	For Rent	Two-story development
3440 FRANCIS ST	9,822	0.23		MF/VLD: 4-Plex	4	For Rent	Two-story development
3234 BREMOND ST	4,974	0.11		Duplex	2	For Rent	Two-story development
3238 MCGOWEN ST	4,925	0.11		Duplex	2	For Rent	Two-story development
3412 ROSALIE ST	5,033	0.12		Duplex	2	For Rent	Two-story development
3415 ROSALIE SST	5,000	0.11		Single Family	1	For Rent	Four-bedroom single family detached rental unit
3413 BEULAH ST	5,058	0.12		Duplex	2	For Rent	Two-story development
3210 TUAM ST	4,963	0.11		Duplex	2	For Rent	Two-story development
3214 ROSALIE ST	4,969	0.11		Duplex	2	For Rent	Two-story development
3339 REEVES ST	4,000	0.09		Single Family	1	For Rent	Single family detached unit
3005 WEBSTER ST	3,973	0.09		Duplex	2	For Rent	Two-story development

**APPENDIX F
 PROPOSED DEVELOPMENT PROGRAM
 THIRD WARD SOUTH OF ALABAMA SECTOR**

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
2222 CLEBURNE ST	125,017	2.87		Multi-Family High-Density	112	For Rent	Proposed site for Montrose Center-sponsored mixed-use development with senior housing and health and social services
3221 TRUXILLO ST	5,500	0.13		Multi-Family/ Very Low Density (MF/VLD): Triplex	3	For Rent	One-story, three-unit development, relatively long narrow lot between two single family homes, so horizontal construction preferred, alternate option is one large single family for-sale unit
0 ISABELLA ST	5,250	0.12		MF/VLD: Triplex	3	For Rent	One-story, three-unit development, preferred horizontal construction due to narrowness of lot and location between two one-story single family homes
2520 ISABELLA ST	5,250	0.12		Duplex	2	For Rent	Two-story development
3024 ALABAMA ST	5,796	0.13		MF/VLD: Triplex	3	For Rent	Three-story, three unit development, on the border with North Central Third Ward

APPENDIX G
PROPOSED DEVELOPMENT PROGRAM
MACGREGOR SECTOR

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	# of Stories	For Sale or For Rent	Notes Pertaining to Proposed Development
5134 GRANTWOOD ST	21,780	0.50	0.74	Multi-Family/Medium Density (MF/LD)	25	4	For Rent	Four story apartment building, proximate to the WALLIP senior residence on Scott Street
0 GRANTWOOD ST	3,049	0.07						
0 GRANTWOOD ST	3,049	0.07						
0 GRANTWOOD ST	4,356	0.10						
0 SCOTT ST	1,307	0.03	0.75	MF/LD	25	4	For Rent	Four story apartment building, proposing aggregation of numerous small tracts
0 SCOTT ST	435	0.01						
0 SCOTT ST	1,307	0.03						
0 SCOTT ST	1,307	0.03						
0 SCOTT ST	435	0.01						
0 SCOTT ST	1,307	0.03						
0 SCOTT ST	2,178	0.05						
0 SCOTT ST	1,307	0.03						
0 SCOTT ST	1,742	0.04						
0 SCOTT ST	1,306	0.03						
0 SCOTT ST	1,306	0.03						
0 SCOTT ST	1,306	0.03						
0 SCOTT ST	1,306	0.03						
0 SCOTT ST	1,306	0.03						
0 SCOTT ST	1,306	0.03						
0 SCOTT ST	1,306	0.03						
0 SCOTT ST	1,742	0.04						
0 SCOTT ST	4,791	0.11						
0 SCOTT ST	1,306	0.03						
0 SCOTT ST	216	0.005						
0 SCOTT ST	216	0.005						
0 SCOTT ST	1,306	0.03						
0 SCOTT ST	1,306	0.03						
0 SCOTT ST	1,306	0.03						
3739 ODIN CT	6,534	0.15		Single Family	1	1	For Sale	One-story four-bedroom single family unit
0 GRIGGS RD	10,890	0.25		MF/VLD: 8-Plex	8	2	For Sale	Eight two-story attached town homes, located on major thoroughfare
5141 GRANTWOOD ST	12,632	0.29		MF/VLD: 8-Plex	8	2	For Sale	Four units per story

**APPENDIX H
PROPOSED DEVELOPMENT PROGRAM
NORTH OF GRIGGS SECTOR**

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
4918 EPPES ST	6,970	0.16		Single Family	1	For Sale	One-story single family detached for-sale unit, consistent with community character
0 GRIGGS RD	6,534	0.15	1.21	Multi-Family/ Medium Density Multi- Family (MF/MD)	45	For Rent	Four-story apartment building in TOD zone
4934 EPPES ST	10,890	0.25					
5001 GRIGGS RD	22,651	0.52					
5025 GRIGGS RD	12,632	0.29					
5602 MLK JR BLVD	37,462	0.86		MF/MD	30	For Rent	Four-story apartment building in TOD zone
5625 MILART ST	30,056	0.69	1.95	Single Family	52	For Sale	Patio homes
5753 MILART ST	23,522	0.54					
0 MILART ST	31,363	0.72					
5635 MLK JR BLVD	125,453	2.88		Multi-Family/ High Density (MF/HD)	90	For Rent	Apartment building on major thoroughfare; LIHTC application previously submitted by HBDi
4930 CULMORE ST	7,841	0.18		Single Family	1	For Sale	One-story unit to match community character
0 CALHOUN RD	102,802	2.36		Mixed-Use Multi- Family/High Density (MF/HD) + Commercial	78	For Rent	Proposed Granada mixed use development
0 STUYVESANT ST	9,148	0.21		Single Family	1	For Sale	One-story single family unit, to match community character
4918 DICKENS ST	7,841	0.18		Single Family	1	For Sale	One-story single family unit, to match community character
5027 NASSAU RD	6,970	0.16		Single Family	1	For Sale	Single family to match community character
5049 VENTURA LN	14,375	0.33		Duplex	2	For Sale	Proposing side-by-side duplex to match community character
5103 CORTELYOU LN	9,148	0.21		Single Family	1	For Sale	One-story single family unit to match community character
5103 GRIGGS RD	42,253	0.97		MF/HD	68	For Rent	Four story multi-family development across the street from Village at Palm Center, 48 micro units (<i>aka</i> studio apartments) and 20 larger apartments)

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
5107 WINNETKA ST	12,632	0.29		Duplex	2	For Sale	One-story for-sale town homes, with two side-by-side units, on street with one-story single family units, horizontal construction preferred
5111 NASSAU RD	7,841	0.18		Duplex	2	For Sale	One-story for-sale town homes, with two side-by-side units, on street with one-story single family units, so horizontal construction preferred
5123 WINNETKA ST	6,970	0.16		Duplex	2	For Sale	One-story for-sale town home with two side-by-side units, tract on a street with one-story single family units, horizontal construction preferred
5126 NASSAU RD	7,405	0.17		Duplex	2	For Sale	One-story town home with two side-by-side units, tract on street with one-story single family units, horizontal construction preferred
5134 NASSAU RD	6,534	0.15		Duplex	2	For Sale	One-story town home with two units (side-by-side), tract on street with one-story single family units, horizontal construction preferred
5310 NASSAU RD	6,098	0.14		Duplex	2	For Sale	One-story town home with two units (side-by-side), tract on street with one-story single family units, horizontal construction preferred
5510 CALHOUN RD	80,505	1.85		Single Family	50	For Sale	Patio homes
4707 EPPES ST	9,687	0.22		Single Family	1	For Sale	Single family detached unit which would be proximate to other single family detached units
5306 MLK JR BLVD	35,406	1.95		Single Family	53	For Sale	Patio homes, could be reserved for seniors
5320 MLK JR BLVD	49,736						

APPENDIX I
PROPOSED DEVELOPMENT PROGRAM
SOUTH OF GRIGGS SECTOR

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
0 SCHROEDER RD	34,373	0.79		Single Family	7	For Sale	Conveyed to Houston Habitat already, so not counted in the Development Program
0 SCHROEDER RD	32,809	0.75		Single Family	7	For Sale	One-story single family detached for-sale unit (for consistency with the Habitat development)
0 SCHROEDER RD	34,635	0.80	1.94	Multi-Family/High Density (MF/HD)	120	For Rent	Three stories of apartments above one-story podium, with parking at grade; in a TOD zone
6003 SCHROEDER RD	33,071	0.76					
6007 SCHROEDER RD	16,666	0.38					
5915 SCHROEDER RD	64,830	1.49	2.84	MF/HD	160	For Rent	Four buildings – 40 units per three-story building, possible senior housing, access from both Milart and Schroeder streets in TOD zone
0 GRIGGS RD	58,832	1.35					
0 SCHROEDER RD	14,952	0.34	1.34	MF/HD	80	For Rent	Three stories of apartments above one-story podium, parking at grade, In TOD zone
6010 SCHROEDER RD	20,077	0.46					
6014 SCHROEDER RD	11,673	0.27					
6018 SCHROEDER RD	11,619	0.27					
5820 GRACE LN	10,259	0.24	0.24	Duplex	2	For Sale	One-story town home, two side-by-side units, tract surrounded by one-story detached units, horizontal construction preferred
6113 GRACE LN	5,192	0.12	0.12	Single Family	1	For Sale	One-story single detached for-sale unit
6311 BEEKMAN RD	8,999	0.21	0.21	Multi-Family/ Very Low Density (MF/VLD): Triplex	3	For Sale	One-story town home, side-by-side units, tract surrounded by one-story single family detached units, horizontal construction preferred
6815 MADRID ST	14,724	0.34		Multi-Family Low Density (MF/LD)	15	For Rent	Three-story low density rental multi-family development
6619 CALHOUN RD	9,695	0.22	0.33	MF/LD	15	For Sale	Three-story multi-family development, Five units per story, for-sale town homes
6623 CALHOUN RD	4,868	0.11					
6912 CALHOUN RD	35,575	0.82		MF/HD	50	For Rent	Three-story, 50-unit apartment development
6823 PARIS ST	5,079	0.12		Duplex	2	For Sale	For-sale town home – one-story, side-by-side, tract surrounded by one-story single family detached units,

MIDTOWN AFFORDABLE HOUSING PLAN DRAFT

SEPTEMBER 2017

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
6825 NEW YORK ST	8,014	0.18		MF/VLD: Triplex	3	For Sale	One-story for-sale town home, side-by-side, tract surrounded by one-story single family detached units, horizontal construction preferred
0 CALHOUN RD	5,000	0.11	0.34	MF/LD	15	For Rent	Three-story low density multi-family development
0 CALHOUN RD	10,000	0.23					
6411 BEEKMAN RD	8,176	0.19		Single Family	4	For Sale	Four for-sale single family detached micro units
0 CULLEN BLVD	15,450	0.35	0.59	MF/MD	20	For Rent	Low density apartment development
7014 CULLEN BLVD	10,300	0.24					
6015 SCHROEDER RD	33,850	0.78		MF/VLD: Triplex	24	For Sale	Town home development with three attached units per building, near Village at Palm Center, possibly use same or similar prototype
0 CALHOUN RD	24,154	0.55		MF/MD	20	For Rent	Three-story apartment building, distressed-looking auto shop across the street, close to IH-610.
0 CALHOUN RD	14,908	0.34		MF/MD	12	For Rent	Two-story apartment building
0 CALHOUN RD	4,663	0.11		Duplex	2	For Sale	Two-unit for-sale development, one unit per story
0 CALHOUN RD	4,869	0.11		Duplex	2	For Sale	Two-story for-sale units in two-unit development
0 CALHOUN RD	5,033	0.12		Duplex	2	For Sale	Two-story for-sale units in two-unit development
0 DUMBLE RD	80,150	1.84		Multi-Family/High Density + Commercial	110	For Rent	Three stories of apartments above a one-story podium, with surface parking, industrial development in vicinity
0 PARIS ST	7,782	0.18		Duplex	2	For Sale	One-story development, with two side-by-side units, tract surrounded by one-story single family detached units, horizontal construction preferred
0 GRIGGS RD	24,446	0.56	1.58	MF/HD	56	For Rent	Apartment development proposed for two aggregated tracts
5736 GRIGGS RD	44,479	1.02					
4518 GRIGGS RD	19,845	0.46		MF/LD	16	For Rent	Four story, apartment development in location surrounded by one-story single occupancy commercial development

Address	SQFT	Acres	Aggregated Acreage	Prototype	# of Units	For Sale or For Rent	Notes Pertaining to Proposed Development
5203 PERRY ST	7,562	0.17		Single Family	1	For Sale	Single family detached for-sale unit
5207 PERRY ST	6,752	0.16		Single Family	1	For Sale	Single family detached for-sale unit
5211 PERRY ST	6,813	0.16		Single Family	1	For Sale	Single family detached for-sale unit
5206 COSBY ST	6,382	0.15		Single Family	1	For Sale	Single family detached for-sale unit
5207 COSBY ST	6,669	0.15		Single Family	1	For Sale	Single family detached for-sale unit
5218 KINGSBURY ST	6,691	0.15		Single Family	1	For Sale	Single family detached for-sale unit
5231 KINGSBURY	6,355	0.15		Single Family	1	For Sale	Single family detached for-sale unit
5250 BROWNCROFT ST	6,647	0.15		Single Family	1	For Sale	Single family detached for-sale unit
5251 DEWBERRY ST	6,625	0.15		Single Family	1	For Sale	Single family detached for-sale unit
5319 KEYSTONE ST	6,473	0.15		Single Family	1	For Sale	Single family detached for-sale unit
5334 KEYSTONE ST	6,660	0.15		Single Family	1	For Sale	Single family detached for-sale unit
5335 DEWBERRY ST	6,403	0.15		Single Family	1	For Sale	Single family detached for-sale unit
5210 ENYART ST	6,935	0.16		Single Family	1	For Sale	Single family detached for-sale unit
5031 ENYART ST	6,771	0.16		Duplex	2	For Rent	Side by side duplex proposed
5306 BROWNCROFT	6,904	0.16		Single Family	1	For Sale	Four-bedroom single family detached unit, single family neighborhood
5103 KEYSTONE ST	6,600	0.15		Single Family	1	For Sale	Four-bedroom single family detached unit, single family neighborhood
6421 CALHOUN RD	5,000	0.11		Duplex	2	For Rent	Two-story duplex, proximate to a motel

APPENDIX J AFFORDABLE HOUSING RESOURCES

CITY OF HOUSTON – DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

The programs below are administered by the Department of Housing and Community Development. They are detailed in the City of Houston's Consolidated Plan, 2015-2019. The descriptions below were extracted from <http://houstontx.gov/housing/Draft-2017-Annual-Action-Plan-031317.pdf> on April 5, 2017.

Community Development Block Grant (CDBG)

CDBG funds finance housing, public facilities and improvements, public services, and economic development assistance activities. CDBG funds are combined with public and private funds to create a greater impact in neighborhoods.

HOME Investment Partnerships Grant

HOME promotes public/private partnerships as a vehicle for expanding the stock of affordable housing. HOME funds are leveraged with private and public funding sources to support multi-family and single family development activities. The Multi-family Housing Program's activities are funded through a request for proposal process in which greater preference is given to proposals that have other sources of equity and debt financing.

Housing Opportunities for Persons with AIDS Grant

Organizations applying for HOPWA funding are selected through a competitive request for proposal process, and sources of leverage include public funding, such as Ryan White or Shelter Plus Care, and private funding, such as in-kind resources, funding

Emergency Solutions Grant

Emergency Solutions Grant (ESG) funds support nonprofit organizations that help homeless persons and persons at risk of becoming homeless by providing emergency shelter, housing relocation, and stabilization services. Organizations applying for ESG funding must provide a 1 to 1 match for the ESG funds they receive and are selected through a competitive request for proposal process.

Homeless Housing Services Program (HHSP)

Beneficiaries are selected through a competitive request for proposal process. Funds are used for local homeless initiatives.

Homeless and Housing Bonds

Homeless and Housing Bonds are local funds and often leveraged with federal funding to create a greater impact for low- and moderate-income persons. Housing developments are usually selected through a competitive request for proposal process.

TIRZ Affordable Housing Set Aside

TIRZ Affordable Housing Set-Aside funds are local funds and are often leveraged with federal funding to create a greater impact for low- and moderate-income persons and communities. Housing developments are selected through a competitive request for proposal process.

CITY OF HOUSTON SECTION 380 AGREEMENTS

Chapter 380 of the Local Government Code creates a mechanism for the grant or loan of public funds to promote economic development and stimulate business and commercial development. Pursuant to this action, the City of Houston established the Chapter 380/loan/grant program. This program has been used to incentivize Downtown residential development and to support multi-family mixed-use development in Clear Lake. This program is administered by the Mayor's Office.

STATE OF TEXAS

There are several affordable housing programs administered by the Texas Department of Community Affairs that are relevant to the *Midtown Affordable Housing Initiative*. They are described below.

Low Income Housing Tax Credit Program

This program, created in 1986 and made permanent in 1993, is administered in the state by the Texas Department of Housing and Community Affairs. The program incentivizes the production of affordable housing by offsetting investors' federal tax liability. Tax credits are syndicated by a developer to generate capital used in exchange for the development of affordable rental properties or the rehabilitation of existing properties to maintain affordable rents for an extended period of time (www.tdhca.state.tx.us).

Multi-family Mortgage Revenue Bond Program

According to the State, public and private for-profit and nonprofit developers can receive low-interest loans to help finance the development of affordable rental properties or the rehabilitation of existing properties to maintain affordable rents for an extended period of time (*www.tdhca.state.tx.us*.)

Beneficiaries of the program are renter households earning up to 60% area median family income (*www.tdhca.state.tx.us*.)

Multi-family Direct Loan Program

At *www.tdhca.state.tx.us*, this statewide program funds new construction, demolition and reconstruction, or acquisition and rehabilitation of affordable multi-family rental housing. Beneficiaries are renter household tenants earning up to 80% area median family income.

HOUSTON HOUSING FINANCE CORPORATION

HHFC's provides housing for low to moderate income residents of Houston primarily through issuance of single family mortgage revenue bonds and private activity bonds for multi-family housing. HHFC also issues mortgage credit certificates.

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (D-HUD) SECTION 202 SUPPORTIVE HOUSING FOR THE ELDERLY

This competitive financing program supports the provision of housing for elderly persons. Additional information is available at *https://www.hud.gov*.

FEDERAL HOME LOAN BANK BOARD COMMUNITY INVESTMENT PROGRAM

This program supports affordable housing (and economic development) initiatives. Additional information can be accessed at the Federal Home Loan Bank Board website, at *http://www.fhlbanks.com*.

**APPENDIX K
PARTNERSHIPS***

ORGANIZATION	FOCUS OF POTENTIAL PARTNERSHIP
<p>City of Houston</p>	<p>Support through federal and general funds available for use for grants to write-down the cost of constructing affordable housing in the study area and for down payment assistance, soft costs, homeless programs, infrastructure, and community development; create set-asides for the Midtown Affordable Housing Initiative, accelerate study area projects contained listed in the CIP, expedite permitting and platting</p> <p>Targeted code enforcement for removal of boarded up, derelict properties in the study area</p> <p>Targeted litter abatement</p> <p>Application of TIRZ affordable housing fund to subsidizing affordable housing in the study area</p> <p>Utilization of Section 380 grants</p> <p>Construction loan for multi-family developments in the Emancipation Avenue Mixed-Use District</p>
<p>Local Initiatives Support Corporation-Houston</p>	<p>Financial and technical support for the Development Program</p>

ORGANIZATION	FOCUS OF POTENTIAL PARTNERSHIP
State of Texas	Extend modification to the rule governing schools for the 9% LIHTC program beyond the two-year period legislated in the last session of the State legislature. As other states have done, modify rules governing "heir property" so that these properties do not continue to be a blighting influence in study area neighborhoods.
Houston Housing Authority	Partner to build affordable housing Provide housing vouchers
Harris County Housing Authority	Partner to build affordable housing
Houston Housing Finance Corporation	Partner to build affordable housing
Community Development Corporations (CDCs)	Partner to build affordable housing
Private developers	Partner to build affordable housing
TIRZ #7	Invest in infrastructure to support multi-family development
Houston Southeast	Partner to implement Midtown Affordable Housing Plan study area-related recommendations contained in Houston Southeast Community Plan
Houston Housing Finance Corporation	Provide construction financing
Foundations	Provide funding and other support for affordable housing

ORGANIZATION	FOCUS OF POTENTIAL PARTNERSHIP
Corporations	Provide funding and other support for affordable housing
Financial Institutions	Provide funding and other support for affordable housing
Metropolitan Transit Authority of Harris County (METRO)	Partner to create Transit-Oriented Developments and transit improvements
Midtown Redevelopment Authority	Provide land acquisition, capacity-building grants, infrastructure financing, and construction financing
Houston Habitat for Humanity	Partner to build affordable housing
Covenant Community Capital	Partner to build affordable housing and Smart Savers program for homebuyers
Community-based organizations	Engage in community-building activities

* It is expected that this is not a comprehensive list and that additional partners will be identified as the *Southeast Houston Affordable Housing Initiative* unfolds.

APPENDIX L

Midtown Affordable Housing Program Infrastructure Assessment

Prepared by

WALTER P MOORE

Walter P. Moore and Associates, Inc.

1301 McKinney, Suite 1100

Houston, Texas 77010

June 2017

Walter P Moore (WPM) worked with the Midtown Redevelopment Authority and OST/Alameda Redevelopment Authority to address the infrastructure needs related to an ongoing strategic planning effort for Midtown's Affordable Housing Program. As represented in Figure 1 on the following page, the project study area includes the area near Emancipation Park, represented in orange as NW D-1. The NW D-1 study area is bounded by SH 288 to the west, Elgin Street to the south, Live Oak Street to the east and IH 45 to the north.

The analysis of existing infrastructure for the study area included the following:

- Stormwater drainage (including open ditch vs. storm sewer)
- Wastewater
- Water supply
- Sidewalk infrastructure
- Bicycle network
- Capital Improvement Projects (CIP)
- METRO transit network
- Houston-Galveston Area Council (HGAC) future land use projections

Methodology

Walter P Moore obtained information regarding existing utilities within the study area from the City of Houston (COH) GIMS database to provide a baseline for the analysis. A street assessment was also

conducted within the study area to evaluate the width and length of the roadway, and pavement and drainage systems to help create a baseline analysis.

This information was used to determine what infrastructure needs to be reconstructed to meet COH standards and provide adequate capacity to support redevelopment to include single-family and multi-family residential, as well as, retail and commercial development to support the neighborhood community.

Finally, conceptual cost estimates have been developed for the infrastructure that was identified as needing to be reconstructed to meet current COH standards. The ensuing sections of the report contain maps and descriptions of each infrastructure element that was analyzed.

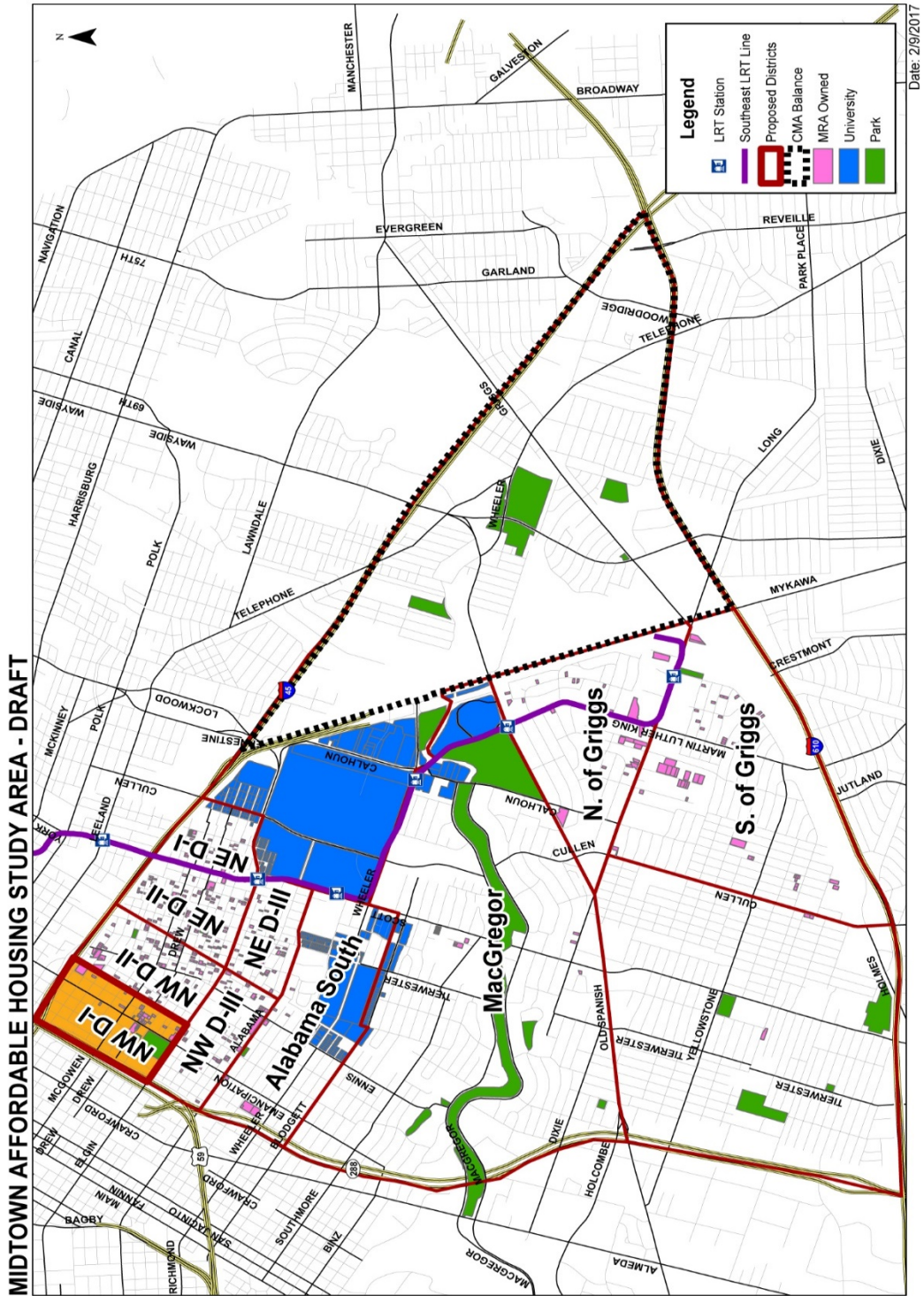


Figure 1: NW D-1 Study Area (represented in orange)

Analysis

Stormwater Utility Infrastructure

Both maps presented in Figure 2 on the following page relate to the existing stormwater drainage network in the NW D-1 section of the study area. The map on the left shows the complete existing network, represented by the green lines. The map on the right shows the portions of the existing stormwater that are deficient. For the purposes of this study, deficient infrastructure is defined as stormwater drainage pipes that are over 50 years old (shown in red) or pipes that are less than 24" in diameter (shown in yellow). The black lines reflect sections of stormwater drainage pipes that do not have data available through GIMS. These segments require further investigation with the City of Houston to determine their age and capacity before being able to qualify as satisfactory or deficient.

When comparing the two maps in Figure 2, it becomes apparent that nearly all of the stormwater drainage network in the section of the study area is deficient, largely due to be over 50 years in age. There are a few segments in the northern portion of the study area that are deficient because of size, as well as sections that are missing data in GIMS. Although storm sewers that are over 50 years old are commonly considered to have reached the end of their useful life, they are not always replaced as storm sewers do not always deteriorate as fast as other utilities. Therefore, as development occurs, the condition of the adjacent storm sewers should be evaluated via inspection.

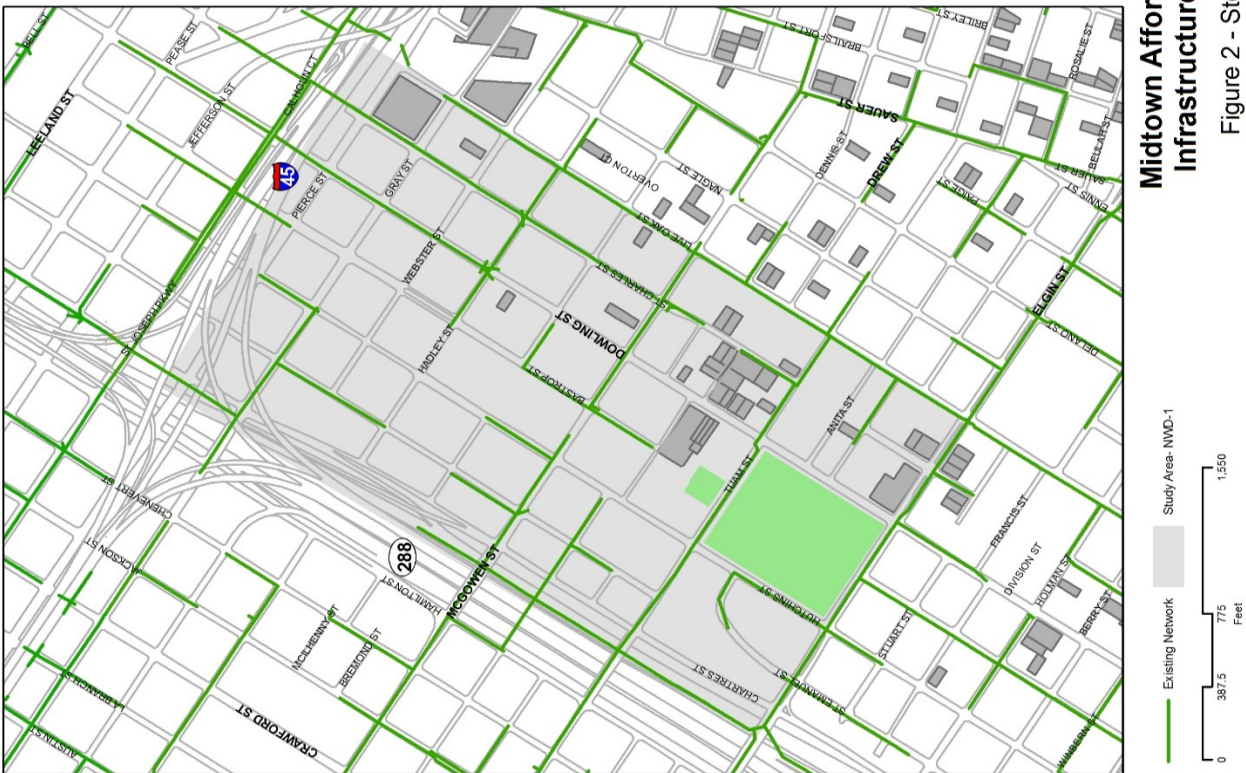
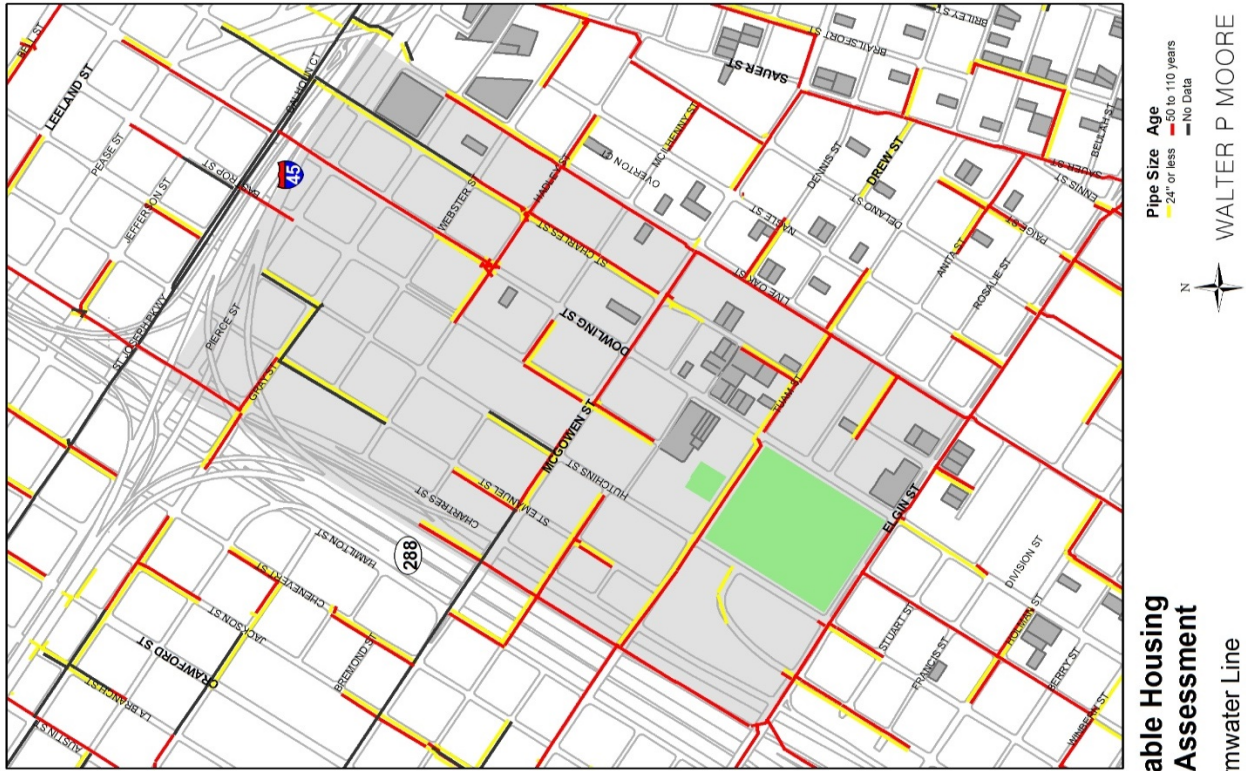
For purposes of this study, we have only included costs for construction of new storm sewers in areas where roadway reconstruction is proposed and ditches will be replaced with inlets and underground storm sewers.

Open Drainage Ditch

The open drainage ditch data was gathered from the COH GIMS database. As seen in Figure 2.1 on the following page, about 25% of the roadways within the study area have an open ditch drainage type. This is important for the analysis as these roadways have an opportunity to be reconstructed with not only the proper underground storm sewer drainage type but also a concrete curb and gutter to provide sidewalk infrastructure. It is recommended to upgrade all existing open ditches with a storm sewer drainage system. Cost estimates for these storm sewer system upgrades are included in this study.

Wastewater Utility Infrastructure

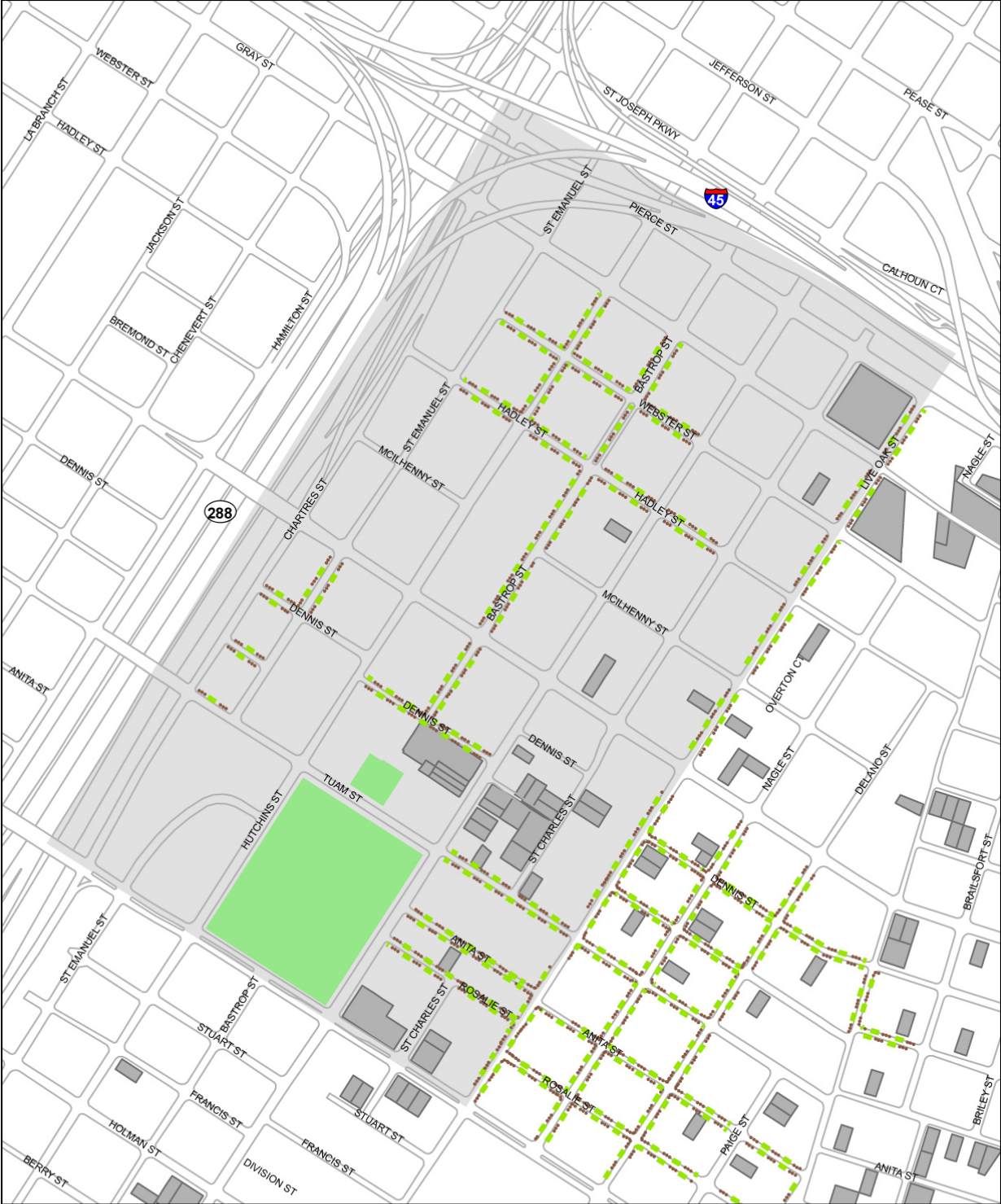
Both maps presented in Figure 3 relate to the existing wastewater (sometimes referred to as sanitary sewer) network in the NW D-1 section of the study area. The map on the left shows the complete existing network, represented by the green lines. The map on the right shows the portions of the existing wastewater network that are deficient. For the purposes of this study, deficient infrastructure is defined as wastewater pipes that are over 50 years old (shown in red) or pipes that are less than 8" in diameter (shown in yellow). The black lines reflect sections of wastewater pipes that do not have data available through GIMS; these segments require further investigation with the City of Houston to determine their age and capacity before being able to qualify as satisfactory or deficient.



Midtown Affordable Housing
 Infrastructure Assessment

Figure 2 - Stormwater Line

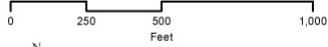
WALTER P MOORE



--- --- Roadside Ditch
 Study Area- NWD-1

Midtown Affordable Housing Infrastructure Assessment

Figure 2.1 - Roadside Ditch



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Pipe Size
Less than 8" — Yellow
50 to 105 years — Red
No Data — Black

Age

N

WALTER P. MOORE

Midtown Affordable Housing Infrastructure Assessment

Figure 3 - Wastewater Line



Existing Network — Green
Study Area - NWD-1 — Gray

0 367.5 775 1,550 Feet

Although most of the wastewater lines were constructed over 50 years ago, almost all of them have been upgraded via rehabilitation projects in the last 20 years. Therefore, we are not recommending replacing the wastewater collection system. The proposed sanitary sewers included in the cost estimate are a contingency items for potential sanitary sewer extensions to serve new development. No proposed wastewater collection line projects are shown on the City of Houston GIMS system in the project area.

Water Utility Infrastructure

Both maps presented in Figure 4 relate to the existing water line network in the NW D-1 section of the study area. The map on the left shows the complete existing network, represented by the green lines. The map on the right shows the portions of the existing water line network that are deficient. For the purposes of this study, deficient infrastructure is defined as water line pipes that are over 50 years old (shown in red) or pipes that are less than 8" in diameter (shown in yellow). The black lines reflect sections of water line pipes that do not have data available through GIMS; these segments require further investigation with the City of Houston to determine their age and capacity before being able to qualify as satisfactory or deficient. Most of the water lines in the NW D-1 section have been replaced in the last 20 years so no significant waterline improvements are anticipated to be required for redevelopment in his area.

It is assumed that all water lines that are beyond their useful life will be replaced by the City of Houston. Many water lines in the project area are shown as having been replaced in 1997. No proposed water line projects are shown on the City of Houston GIMS system in the project area.

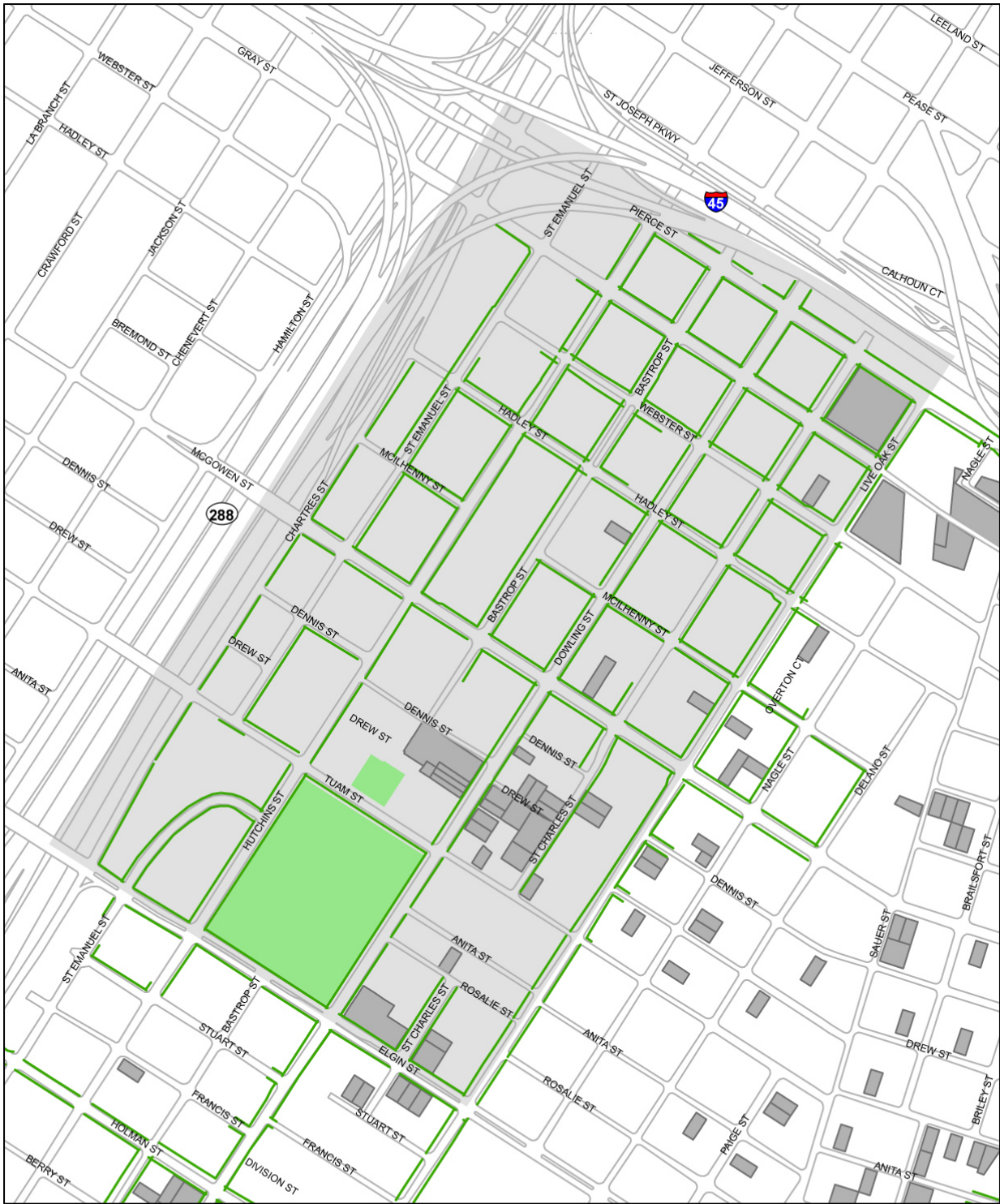
Sidewalk Infrastructure

The sidewalk infrastructure in the NW D-1 study area is represented in Figure 5 on the following page. For the purposes of this study, sidewalk infrastructure is defined by the presence of a sidewalk. The condition, quality, and width of a sidewalk was not taken into account. It is recommended that when development occurs along each corridor, the sidewalk infrastructure is either brought up to city standards or better. All reconstructed roadways will have sidewalks on both sides of the roadway unless prohibited by right-of-way limitations. The cost estimate included in this study assumed that all new roadway projects would include the construction of new sidewalks. Overall, approximately 75% of all roadways in the project study area would have new sidewalks that meet current COH design requirements.

Houston Bicycle Network

The COH Bike Plan was recently adopted by City Council in March 2017. Through a yearlong planning effort, a long term vision was identified for the city to establish a network of bicycle connectivity. The goal of the plan was to improve safety, increase access and ridership and develop and maintain ridership. A bicycle toolbox was developed detailing bikeway standards, policy changes, and implantation strategies.





— Sidewalk Infrastructure
■ Study Area- NWD-1

**Midtown Affordable Housing
Infrastructure Assessment**
Figure 5 - Sidewalk Infrastructure

0 250 500 1,000
Feet

WALTER P MOORE

Figure 5: Sidewalk Infrastructure

As seen in Figure 6, there is only one existing bicycle facility located adjacent to our study area along the Columbia Tap Trail. The Columbia Tap Trail is a 10-foot wide, concrete, multi-use hike and bike trail from East Downton to Brays Bayou. The map on the right represents the Long Term Vision for the study area as identified through the COH Bike Plan. There would be a dedicated on-street facilities along McGowen Street, Dowling Street, Gray Street and Pierce Street. A dedicated on-street facility represents dedicated bicycle facilities within the street right-of-way. Hutchins Street, Live Oak Street and Tuam Street are designated as shared on-street facilities. A shared on-street facility is represented as Locations where bicyclists share the travel way with vehicles.

City of Houston Capital Improvement Projects

The COH Capital Improvement Plan is a 5-year planning process that outlines the physical improvements to public facilities and infrastructure throughout Houston. The motive behind these projects is to improve safety, mobility, and have a positive impact on the economy. The plan organizes projects by priority, project capacity, and timing constraints and identifies funding sources for anticipated projects.

As seen in Figure 7, there is only one active project under construction along Dowling Street. The Dowling Street reconstruction project is from Pierce Street to Southmore Boulevard and is in conjunction with the Emancipation Park renovation. There are several street and traffic related projects that are under design along Tuam Street and Jefferson Street just beyond the study area boundaries.

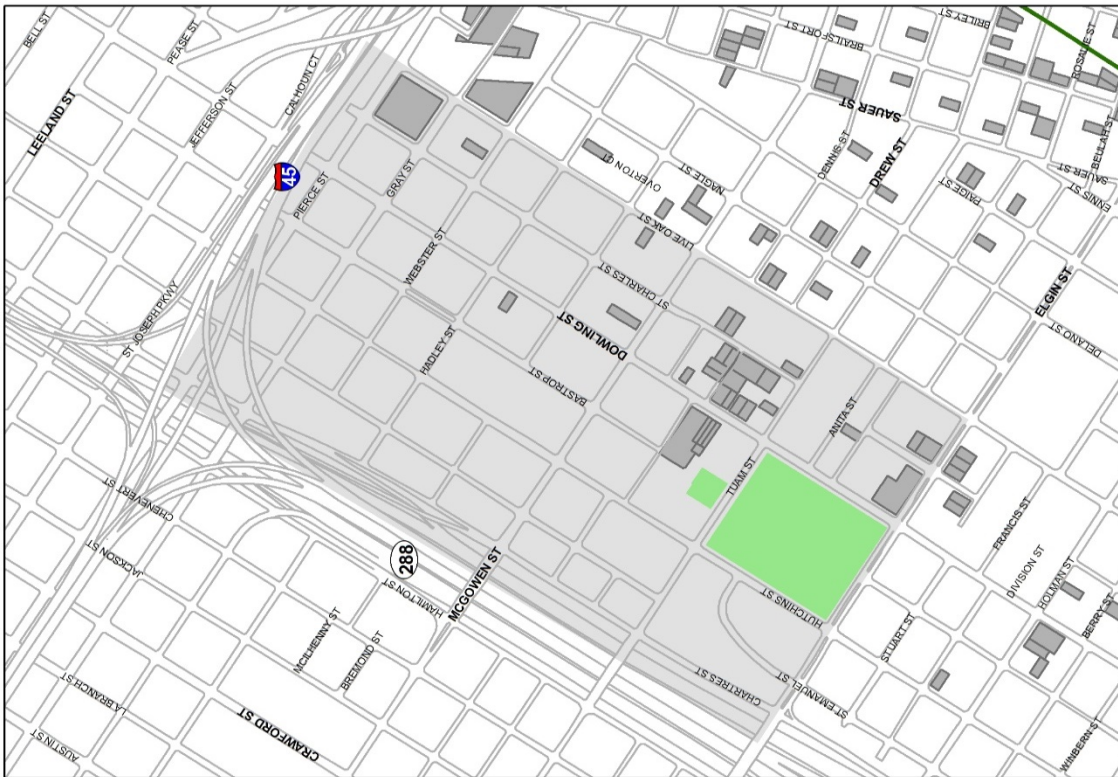
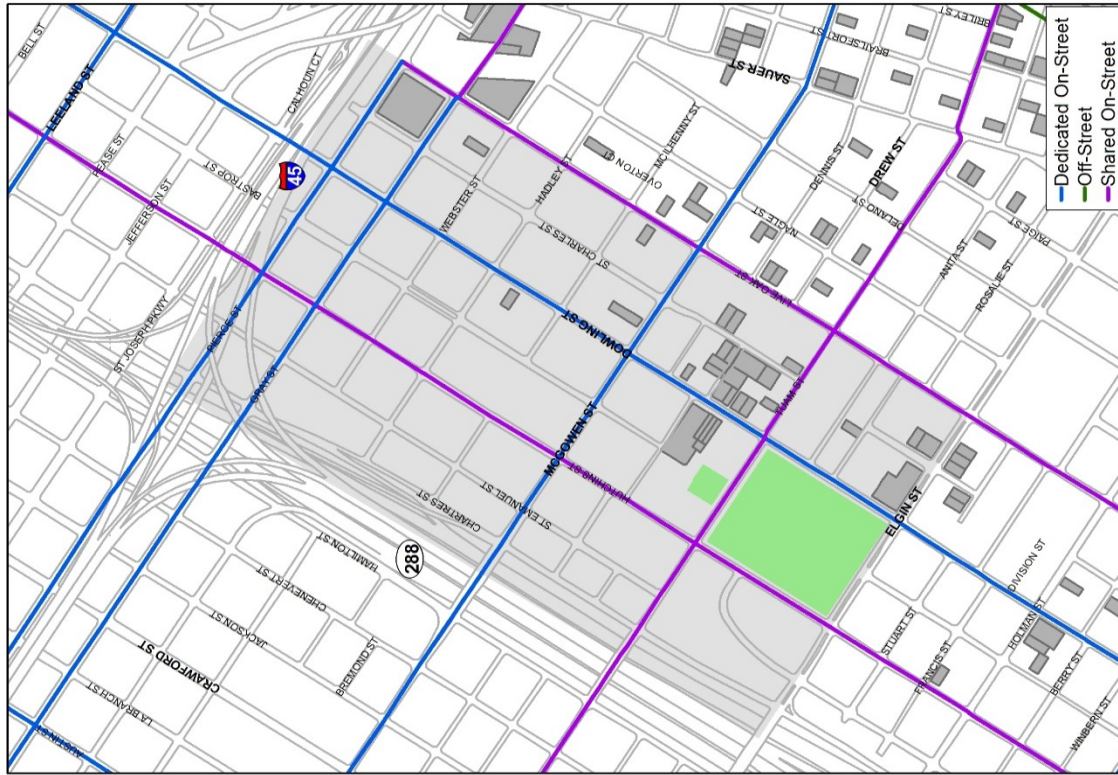
METRO Bus Network

In August 2015, the Metropolitan Transit Authority of Harris County (METRO) implemented a new bus network that is less centered on Downtown than the previous system. The implementation of the new bus network identified corridors with low to high bus frequencies depending upon demand analysis. As seen in Figure 8, there are two METRO bus routes that operate within the study area. The METRO bus route #54 is an east/west local high frequency route that operates at 10 to 15 minute headways. The METRO bus route #9 is an east/west route that operates along Elgin Street at 30 minute headways.

HGAC Announced and Modeled Land Use Changes

The announced and modeled land use changes information shown in Figure 9 was obtained from the HGAC Regional Land Use Information System. This information is based on the 2016 Regional Growth Forecast of population, employment, and land use data for the 8-county HGAC Transportation Management Area. This analysis is updated annually and provides information related to demographic forecasts, employment forecasts, real estate development household and employment location forecasts.

The real estate development model was used to project which parcels within the study area were identified by HGAC as an announced or potential redevelopment opportunity. As seen in Figure 8, many of the parcels are designated as a single family redevelopment opportunity. The announced land use change is dependent upon many local development resources while the model changes take into account the suitability and physical availability of land and economic feasibility.



Long Term Vision

- Dedicated On-Street
- Off-Street
- Shared On-Street

Midtown Affordable Housing Infrastructure Assessment

Existing

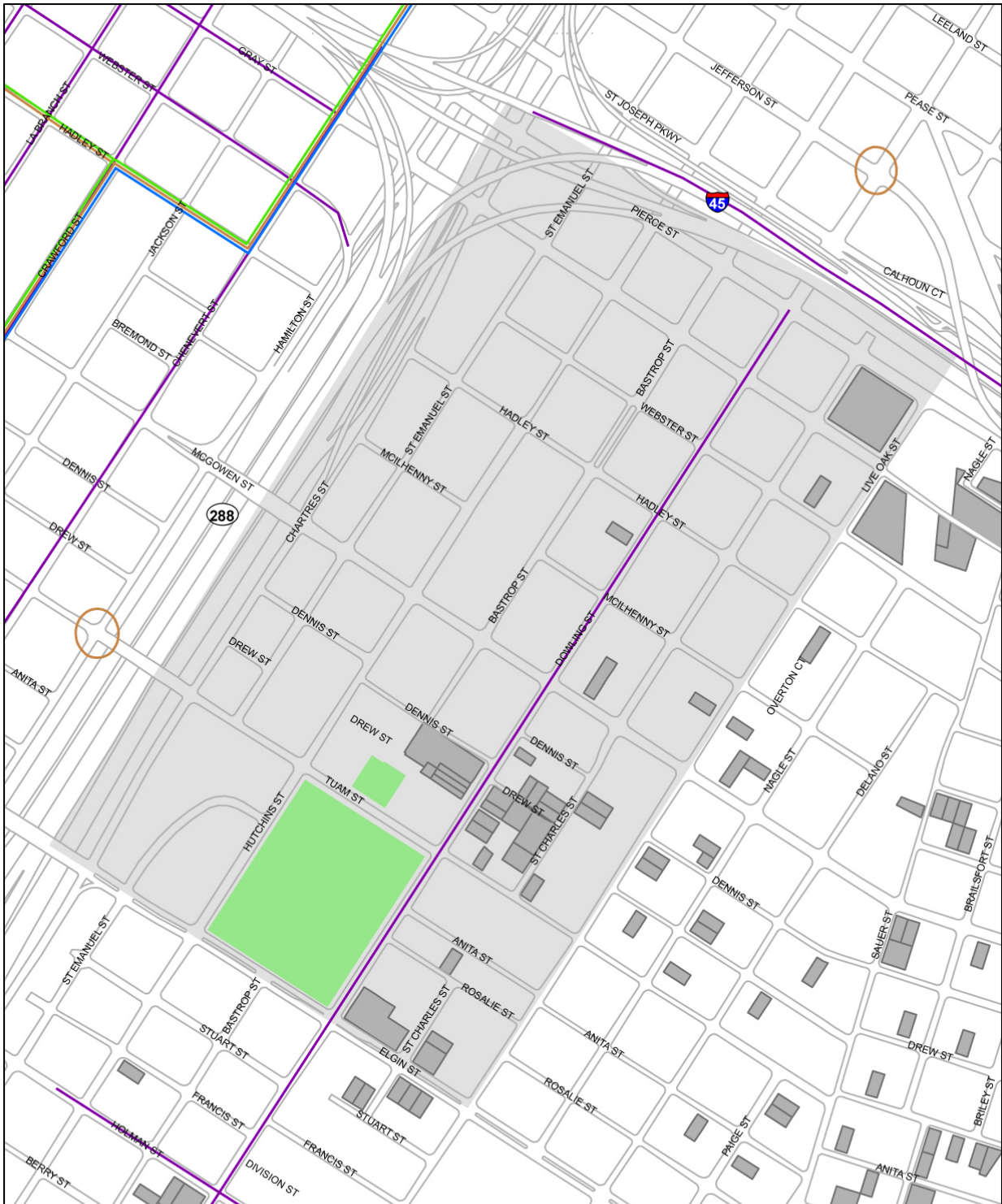
Study Area: NMD-1

0 387.5 775 1,550 Feet

North Arrow

WALTER P. MOORE

Figure 6 - Bicycle Network



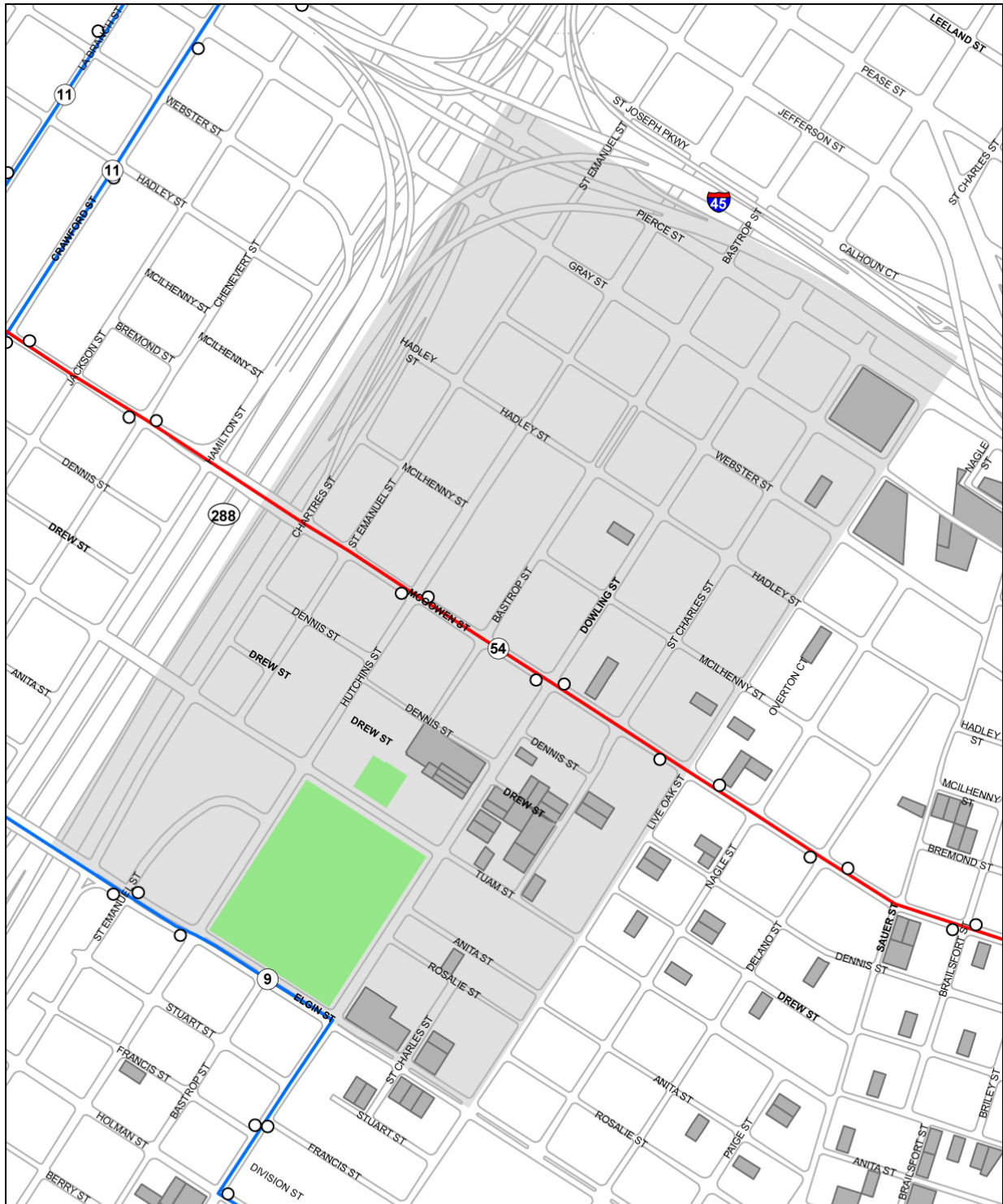
- Water
- Storm Sewer
- Street and Traffic
- Interagency
- Study Area- NWD-1

**Midtown Affordable Housing
 Infrastructure Assessment**
 Figure 7 - CIP Projects (Feb. 2017)

0 250 500 1,000
 Feet

N

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Bus Frequency Study Area- NWD-1

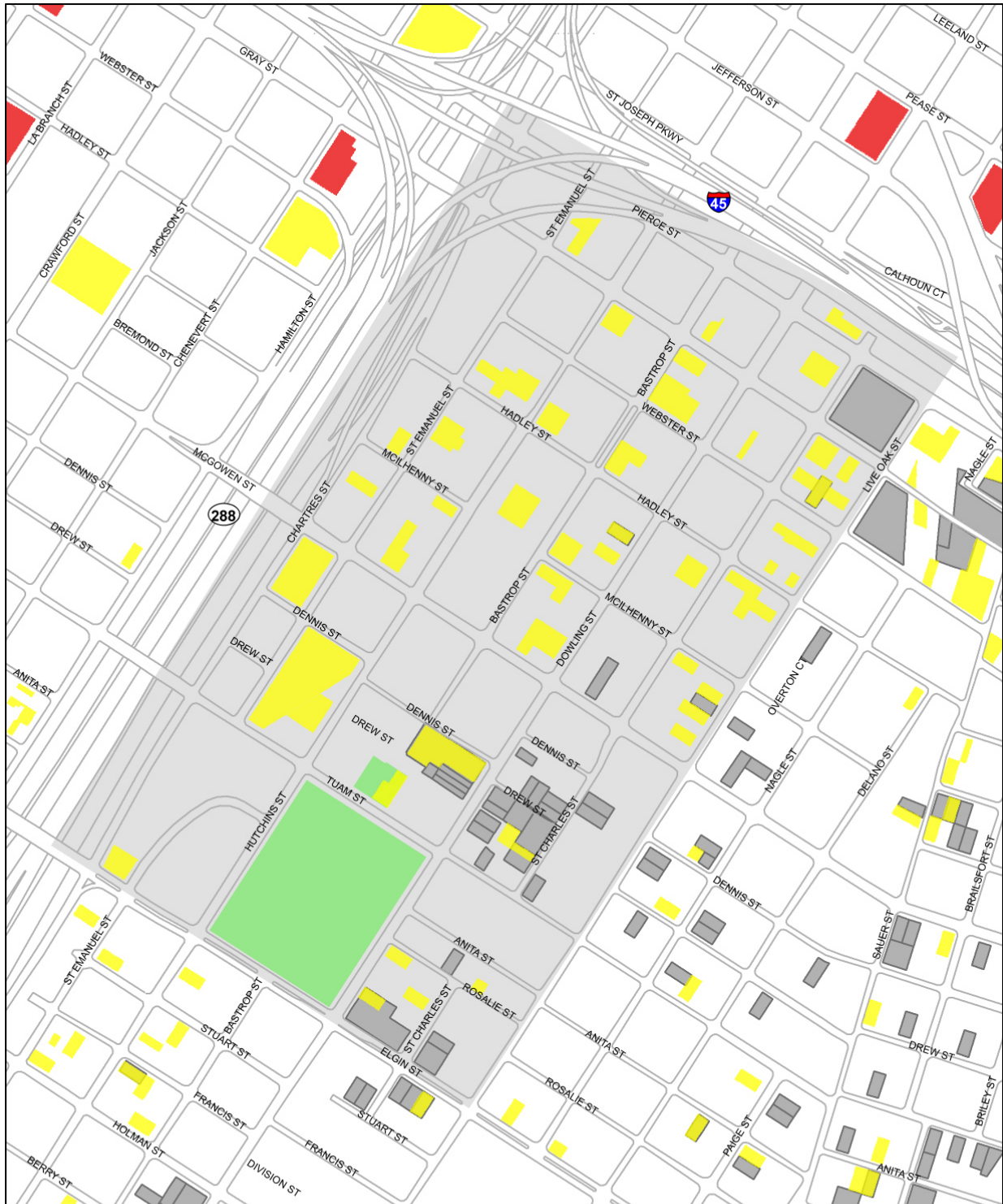
— 10 - 15 min
 — 20 - 30 min

○ Bus Stops

Midtown Affordable Housing Infrastructure Assessment
 Figure 8 - METRO Bus Network

0 250 500 1,000
 Feet


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- Commercial
- Residential
- Study Area- NWD-1

Midtown Affordable Housing Infrastructure Assessment
 Figure 9 - HGAC Land Use Announced Changes and Model Predictions

0 250 500 1,000
 Feet

 WALTER P MOORE

Cost Estimate

The preliminary conceptual cost estimates provided below are based on the existing utility infrastructure and roadway analysis completed by Walter P Moore. The cost estimates were developed utilizing cost per linear foot basis for each infrastructure component. The cost estimates are represented in 2016 dollars and should be adjusted for inflation relative to the year in which the improvements will be constructed.

The existing roadways that are proposed to be improved to COH standards are shown in Figure 10. Forty percent (40%) (15,575 linear feet) of the roadways located within the study area are in need of improvements including pavement, curb and gutter and upgraded utilities. The total estimated cost for reconstruction of roadways and upgraded stormwater, wastewater and water utility systems is \$16,379,761. The improvement cost per acre in the study area is \$110,406. This cost estimate includes a twenty percent (20%) contingency, surveying, geotech, and design estimate, and construction phase services estimate.

	Description	Quantity	Unit	Unit Cost	Amount	Sub-total
DEMOLITION						
	Paving	26,018	SY	\$ 10.00	\$ 260,177.78	
	Sidewalk	16,725	SY	\$ 8.00	\$ 133,800.00	
	Driveway	5,179	SY	\$ 10.00	\$ 51,786.88	
						\$ 445,764.65
SWPPP						
	SWPPP Lump Sum	1	LS	\$ 100,000.00	\$ 100,000.00	
						\$ 100,000.00
PAVING						
	Concrete Paving	35,396	SY	\$ 65.00	\$ 2,300,711.11	
	Mill & Overlay	5,731	SY	\$ 30.00	\$ 171,933.33	
	Excavation	26,547	CY	\$ 10.00	\$ 265,466.80	
	Stabilized Subgrade w/Lime	39,820	SY	\$ 7.00	\$ 278,740.00	
	Curbs	31,150	LF	\$ 7.00	\$ 218,050.00	
	Driveways	3,894	SY	\$ 70.00	\$ 272,562.50	
	Sidewalk	301,050	SF	\$ 8.50	\$ 2,558,925.00	
						\$ 6,066,388.74
STORM SEWER						
	Storm Sewer Trunk Line	13,100	LF	\$ 150.00	\$ 1,965,000.00	
	Storm Sewer Inlet Leads	1,790	LF	\$ 75.00	\$ 134,250.00	
	Storm Inlets ("B-B")	118	EA	\$ 2,750.00	\$ 324,500.00	
	Storm Manholes	74	EA	\$ 2,750.00	\$ 203,500.00	
						\$ 2,627,250.00
TRAFFIC CONTROL						
	Traffic Control (Lump Sum)	1	LS	\$ 400,000.00	\$ 400,000.00	
						\$ 400,000.00

MIDTOWN AFFORDABLE HOUSING PLAN DRAFT

SEPTEMBER 2017

TRAFFIC SIGNALS, SIGNAGE, AND STRIPING					
Signage and Striping	1	LS	\$ 150,000.00	\$ 150,000.00	
Traffic Signal Adjustment	4	EA	\$ 55,000.00	\$ 220,000.00	
					\$ 370,000.00
SANITARY SEWER					
8"-10" Wastewater Line Extension	1,000	LF	\$ 140.00	\$ 140,000.00	
					\$ 140,000.00
WATER					
No new water line improvements are estimated as needed for new development					
Water Line Adjustments	12	EA	\$ 10,000.00	\$ 120,000.00	
					\$ 120,000.00
STREETLIGHTING					
Street Lights and Conduit/Cable	15,575	LF	\$ 30.00	\$ 350,437.50	
					\$ 350,437.50
LANDSCAPE					
Landscape (Trees and Sod)	1	LS	\$ 300,000.00	\$ 300,000.00	
					\$ 300,000.00
			Total Base Construction Cost		\$ 10,919,840.90
				Contingency (20%)	\$ 2,183,968.18
			Subtotal Construction Cost w/Contingencies		\$ 13,103,809.08
				Surveying, Geotech, Design, etc. (18%)	\$ 2,358,685.63
				Construction Phase Services (7%)	\$ 917,266.64
			Total Estimated Cost		\$ 16,379,761.34
				Study Area (Acres)	148.36
				Improvement Cost Per Acre	\$ 110,406.56
Additional public projects needed at some point for whole area by City of Houston					
WATER					
20" Water Line Replacement	3,500	LF	\$ 250.00	\$ 875,000.00	
8"-12" Water Line Replacement	4,250	LF	\$ 120.00	\$ 510,000.00	
					\$ 1,385,000.00

INTERIM REVIEW ONLY

Document Incomplete: Not intended
for permit, bidding or construction.

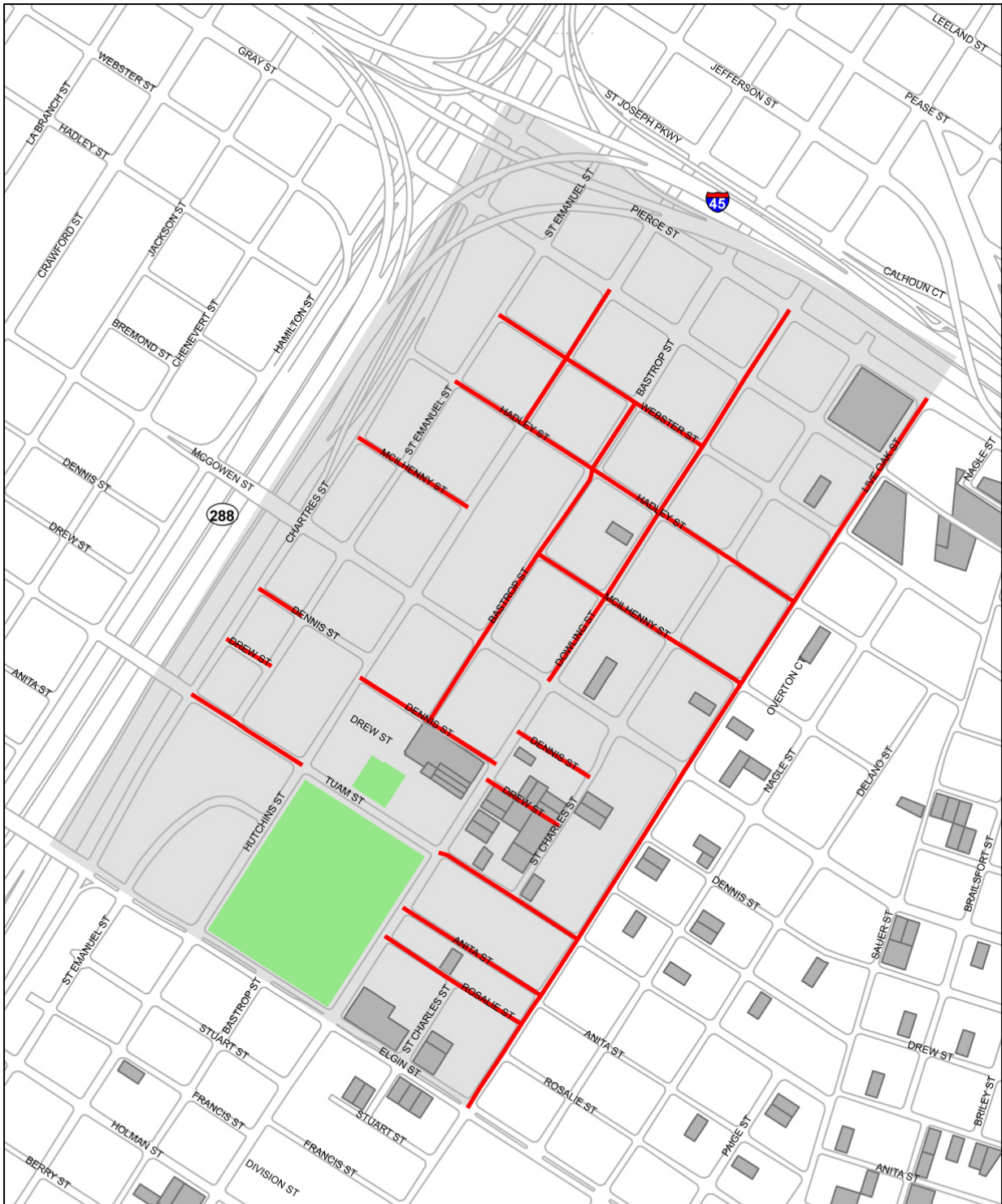
Engineer: Edwin C. Friedrichs

P.E. Serial Number: 50573

Date: 6/7/2017

Walter P. Moore and Associates, Inc.

TBPE Firm Registration No. 1856



**Midtown Affordable Housing
 Infrastructure Assessment**

Figure 10 - Proposed Roadway
 Width to COH Standards

0 250 500 1,000
 Feet
 N
 WALTER P MOORE

City of Houston Code and Design Standards Considerations

There are a number of City of Houston Code and Design Standards that should be considered as redevelopment moves forward in the project area. It would be beneficial to have a meeting with officials from the Department of Public Works and Engineering and the Department of Planning and Development to discuss how these standards might be implemented in the project area.

Drainage

There have been ongoing discussions about potential changes to drainage criteria for the City of Houston. Changes to the drainage criteria could have some impact on the design and construction of new residential and commercial developments. Some areas that should be reviewed include 1) stormwater detention, 2) sizing of storm sewers in roadways, 3) curb and gutter with storm sewers versus open ditch with culverts, and 4) various types of fees.

Roadway Design

The city of Houston has three primary roadway types for residential areas. Per the current design guidelines commercial corridors are required to a four lane cross-section. It may be beneficial to have a meeting with the City of Houston get receive input on their opinion of what will be required in the project area.

Parking

The project area has access to high capacity transit service. Additionally, based on the area demographics the current City of Houston parking ratio requirements may result in an excess of parking for some development types. The City of Houston Parking Code (Chapter 26) does provide for some reduction of parking requirements related to shared parking and transit accessibility; however, the transit reduction has requirements for meeting the criteria required for transit corridor developments. It would be beneficial to discuss this design criteria with appropriate representatives from the City of Houston as planning of new developments moves forward.

SOUTHEAST HOUSTON

HOUSING MARKET NEEDS ASSESSMENT

**AFFORDABLE HOUSING
PILOT PROJECT II**

3442 3455 THAM STREET • 3420 3442 DREW STREET

16 TWO - BEDROOM & 6 THREE - BEDROOM UNITS

DEVELOPER
KOW HOUSE COMMUNITY DEVELOPMENT CORPORATION
3527 HOLMAN STREET
HOUSTON, TEXAS 77004

PARTNER
MIDTOWN REDEVELOPMENT AUTHORITY
410 PIERCE STREET, SUITE 355
HOUSTON, TEXAS 77002

ARCHITECT
TAFT ARCHITECTS
2270 RICE BOULEVARD, SUITE 112
HOUSTON, TEXAS 77005

PROJECT MANAGEMENT & CIVIL ENGINEERING
ESPA CORPORATION
1120 GRAND BOULEVARD, SUITE 100
HOUSTON, TEXAS 77054

STRUCTURAL ENGINEERING
CUNNINGHAM ENGINEERING CO.
311 SACKETT STREET
HOUSTON, TEXAS 77008

ENERGY CONSULTANT
PSL INTEGRATED SOLUTIONS
2375 BOLSOVER STREET
HOUSTON, TEXAS 77005

CONSTRUCTION
CATANA BUILDERS, LTD.
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COUNCILMEMBER, CITY OF HOUSTON

PREPARED FOR:
**MIDTOWN
REDEVELOPMENT
AUTHORITY**

HOUSTON, TEXAS
MAY 2017



SOUTHEAST HOUSTON HOUSING MARKET NEEDS ASSESSMENT

MAY 2017

Prepared for:

Midtown Redevelopment Authority

410 Peirce Street
Houston, Texas

Prepared by:

CDS Community Development Strategies

1001 S. Dairy Ashford, Suite 450
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A MESSAGE FROM THE MIDTOWN REDEVELOPMENT AUTHORITY

Midtown seeks to be an example of a sustainable urban community. Both residents and visitors benefit from Midtown's urban, mixed-use environment, enhanced with pedestrian-oriented sidewalks, decorative street lighting and streets designed for easy traffic flow whether on foot, on bicycles or in vehicles.

Midtown uses one-third of its tax increment revenue to induce and develop affordable housing. The Authority has developed an affordable housing strategy that focuses on land assembly and affordable housing development to encourage mixed use, transit-oriented affordable housing development.

Our efforts reflect the collaboration and financial participation of the City of Houston, Harris County, the Houston Independent School District and the Houston Community College System along with the direction of State Senator Rodney Ellis and State Representative Garnet Coleman – Midtown's partners in the leadership, funding and participation in the Zone. If you have any questions or concerns, please contact me.



Sincerely,

Matt Thibodeaux

Executive Director



EXECUTIVE SUMMARY

Introduction

CDS Community Development Strategies was hired by the Midtown Redevelopment Authority to conduct a thorough market assessment which will provide a detailed report of the housing needs and development opportunities in Southeast Houston (the primary CMA).

Demographic Analysis

The Houston area has experienced tremendous growth over the last several years. The primary CMA has shared in some of this growth and is beginning to change as other parts of inner Loop Houston have, but—demographically and economically—the area still experiences residential affordability challenges. Population projections for the future of the primary CMA are positive. The area is expected to add 2,839 residents over the next 5 years from 2016 to 2021, resulting in an estimated 1,109 households.

Housing Market Trends – For Sale Units

All the MLS real estate indicators point to high demand for housing in the \$100K to \$250K price range in the primary and single family CMAs. Perhaps the most striking indicator, the median days on market is currently at 19 days for the primary CMA and 12 days for the single family CMA. As interviews with realtors in the area confirmed, affordable re-sale homes with minimal needed repairs are quickly sold, often times receiving multiple offers within a few days. As for new single family homes in the primary CMA, supply has been extremely limited. This section examines the market for both single family detached units and townhome/condo units.

Housing Market Trends – Rental Units

The local multifamily rental market has seen significant demand pressure. In the primary CMA the lack of a significant change in supply over the last ten years combined with rising occupancy rates has resulted in rising rents for the last 7 years straight. Over the next two years, an estimated 1,150 new units will be added to the primary CMA, accounting for roughly 16% of the existing total units. Given that the net change in total unit number from 2007 to 2016 has not been more than 100 units, this will have a significant impact on the existing multifamily market. This section also examines the market and supply for single family rentals, transitional living, assisted living, and senior living facilities.

Conclusions and Recommendations

This final section of the study contains the conclusions and recommendations for the primary CMA, specifically examining the potential for new single family home development and multifamily development. The most critical conclusions and recommendations include:

- While there have been new homes built in the primary CMA for under \$250K in recent years, they have been few in number. According to interviews with developers, the cost of construction has increased significantly in recent years as the price of materials and labor has increased dramatically. But for those working inside the Loop, the largest challenge to building affordable homes has been the price and availability of land. The MRA's program to take the land cost component away has been received positively by the partnering developers interviewed. This will bring new affordable for-sale housing supply into Southeast Houston and allow the developers to do so profitably. However, it must be understood that developers are still constrained on price,

reaching construction costs near \$100 per square foot. One of the factors that can critically affect this calculation is the size of the lot and the scale of the project.

- Based on interviews with partnering developers, and based on available information, it appears the MRA is currently approaching the development of new affordable for-sale housing project by project. It is recommended that the MRA consider a more strategic, long term approach. This is not meant as a criticism of the current process, which CDS understands can be complex and challenging. But larger scale planning and more coordinated partnering may allow the MRA to organize a bulk purchasing plan for materials between developers that would allow several relatively small developments to have the economy of scale, and ultimately provide a beneficial cost savings. This could also involve a coordinated marketing campaign which would allow potential homebuyers to be identified and begin the application process earlier. To make this work, it would be essential to have a multi-year plan of inventory with the possibility of continual absorption. The benefit to the developer/homebuilder is that their inventory is moving more quickly—adding an additional savings in smaller financing costs.
- While it is recommended that for-sale homes remain the focus of MRA’s single family development efforts, it is also recommended that the MRA consider retaining a number of the homes as single family rentals. According to realtors interviewed, single family rentals managed for low income families would be a unique and highly welcomed product. While single family rentals can be found in the primary CMA, management and quality vary considerably. A related ownership model which could be utilized on a select number of properties would be an affordable housing rent-to-own program. Such a program would still select tenants based on income in accordance with Low-Income Housing Tax Credit (LIHTC) program guidelines, but allow for a rental period before ownership is a possibility. This creates an opportunity for certain low income households who are not currently in a financial situation to purchase a home but have the means to pay rent.
- Rather than focusing on large-scale complexes, the MRA has an opportunity to provide a product that is rarely provided for in the modern residential landscape: low density multifamily structures. What is considered low density multifamily can vary by definition, but it is generally a residential structure with 10 or fewer units. It is recommended that the MRA echo projects like the 15, 2-unit structures built near Napoleon and Tuam in the Third Ward.
- Where attempting to build non-conventional residential structures in many cities would be challenging, in the City of Houston these non-conventional residential structures are not restricted by zoning or law. And, not only are they legal, but the Houston homebuyer assistance program specifically states that these types of structures can be approved for loan assistance. In some cities, most notably Seattle and LA, it has been challenging to alter regulations to allow such units in single family areas. The fact that the MRA is operating in Houston presents a real opportunity to provide affordable housing options with non-conventional residential structures.
- Providing a strategic mix of variable size, varying ownership model, multifamily structures would reflect the diversity and non-traditional household demographics of Southeast Houston, such as the higher number of nonfamily households, single parent households, and multigenerational households. It would create smaller affordable rental spaces that still fit within the community—as opposed to big affordable housing complexes which fill a sometimes desperate need, but which sometimes have a large impact of the existing nature of the community.

INTRODUCTION

CDS Company Bio

CDS Community Development Strategies (CDS) is a leading national consulting firm headquartered in Houston, Texas, providing economic analysis, public planning, and market research services to clients in a wide variety of industries. CDS was formed in 1971 and is staffed with seasoned professionals who have training and experience in economic development, demographic research, urban planning, statistical analysis, market evaluation, and all aspects of real estate development.



Since 1971, CDS has remained at the forefront of the industry by doing three things:

1. Staying actively involved in numerous professional and trade associations.
2. Providing clear, unbiased, and up-to-date solutions by employing the most appropriate and cost effective research methods.
3. Utilizing solution-oriented analysis teams to focus on each project assignment adapted to your needs.

The Midtown Redevelopment Authority

The Midtown TIRZ was created by the City of Houston on December 14, 1994, for the purpose of redevelopment of the area located generally between the central business district of the City and the Texas Medical Center. In conjunction, the City authorized the creation of the Midtown Redevelopment Authority (MRA), a not-for-profit local government corporation formed pursuant to the provisions of Texas state code. As a parallel organization to the Midtown TIRZ (the Boards of Directors for the Midtown TIRZ and the Authority consist of the same nine members), the MRA was created to aid, assist, and act on behalf of the City in the performance of the City's governmental functions to promote the common good and general welfare of the Midtown area and to provide an operating and financing vehicle for implementing the Midtown TIRZ Project and Financing Plan.



The MRA and the Midtown TIRZ uses incremental taxes generated in the District to provide basic infrastructure improvements and public right of way enhancements. The MRA solicits new developments, and coordinates with city departments and private developers to implement Midtown's Redevelopment Master Plan. The TIRZ funds are used for public projects such as public parks, improved street lighting, capital improvements, and landscaping enhancements.

In fulfilling its obligation to provide affordable housing, the Authority has adopted an affordable housing strategy consisting of two phases: (1) land assembly within a targeted area of the City limits to create a diversified inventory of property and (2) development of affordable housing units (single-family, duplex/triplex and low- to mid-density multi-family developments) on such land.

The Purpose of this Study

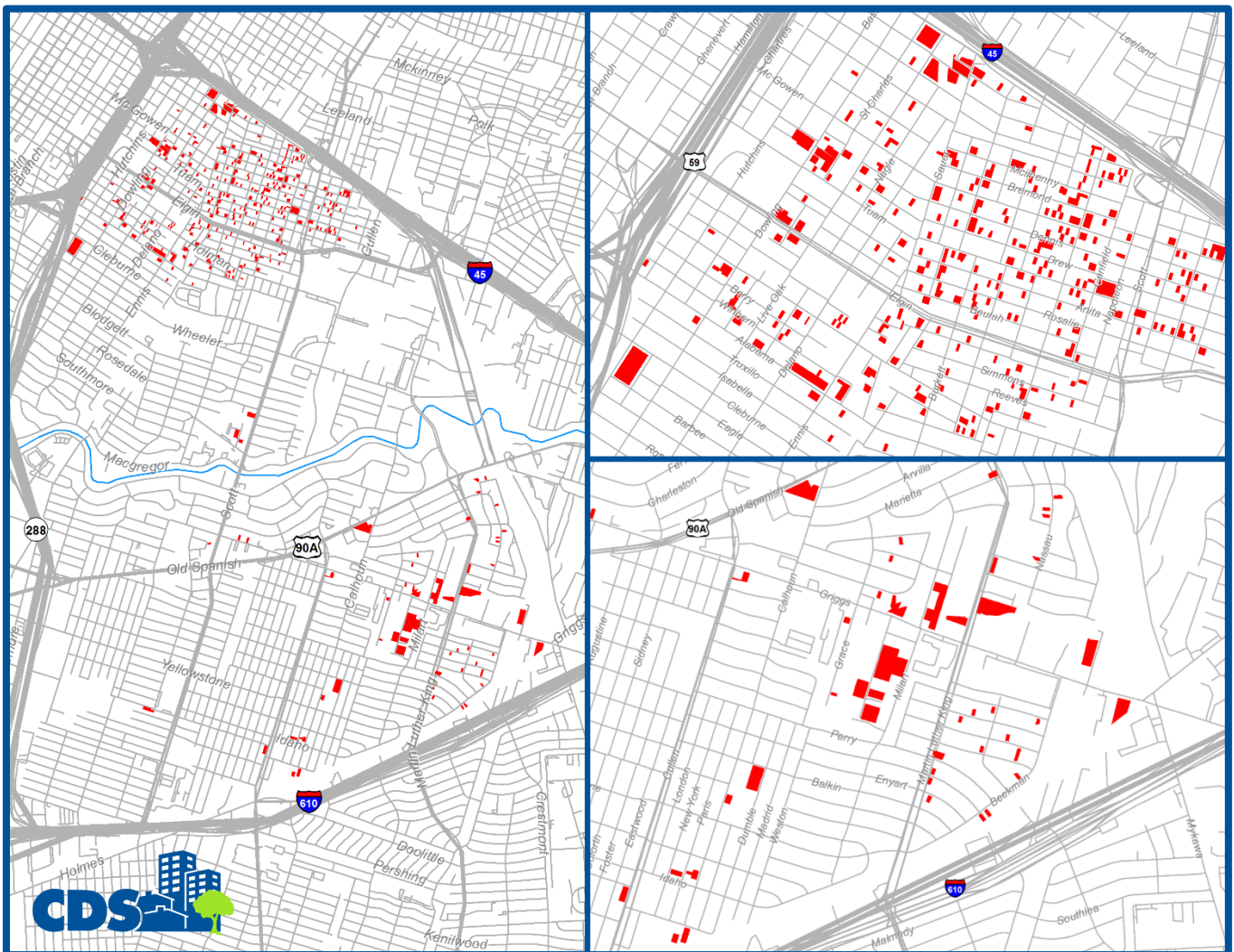
The MRA has acquired a large inventory of undeveloped land that is scattered throughout Southeast Houston. This land inventory represents a substantial opportunity for the development of new housing that could serve both current and new residents—particularly lower income households in need of affordable options.

Before the MRA moves forward with development plans, a clear understanding is needed of the existing market demand in the area. To this end, CDS has been contracted to conduct a thorough market assessment which will provide a detailed report of the housing needs and development opportunities.

MRA Properties

According to records from the Harris County Appraisal District, the MRA has a total of 457 properties located in Southeast Houston. These properties consist of developed lots, underdeveloped lots, and vacant lots.

Figure 1: MRA Properties in Southeast Houston

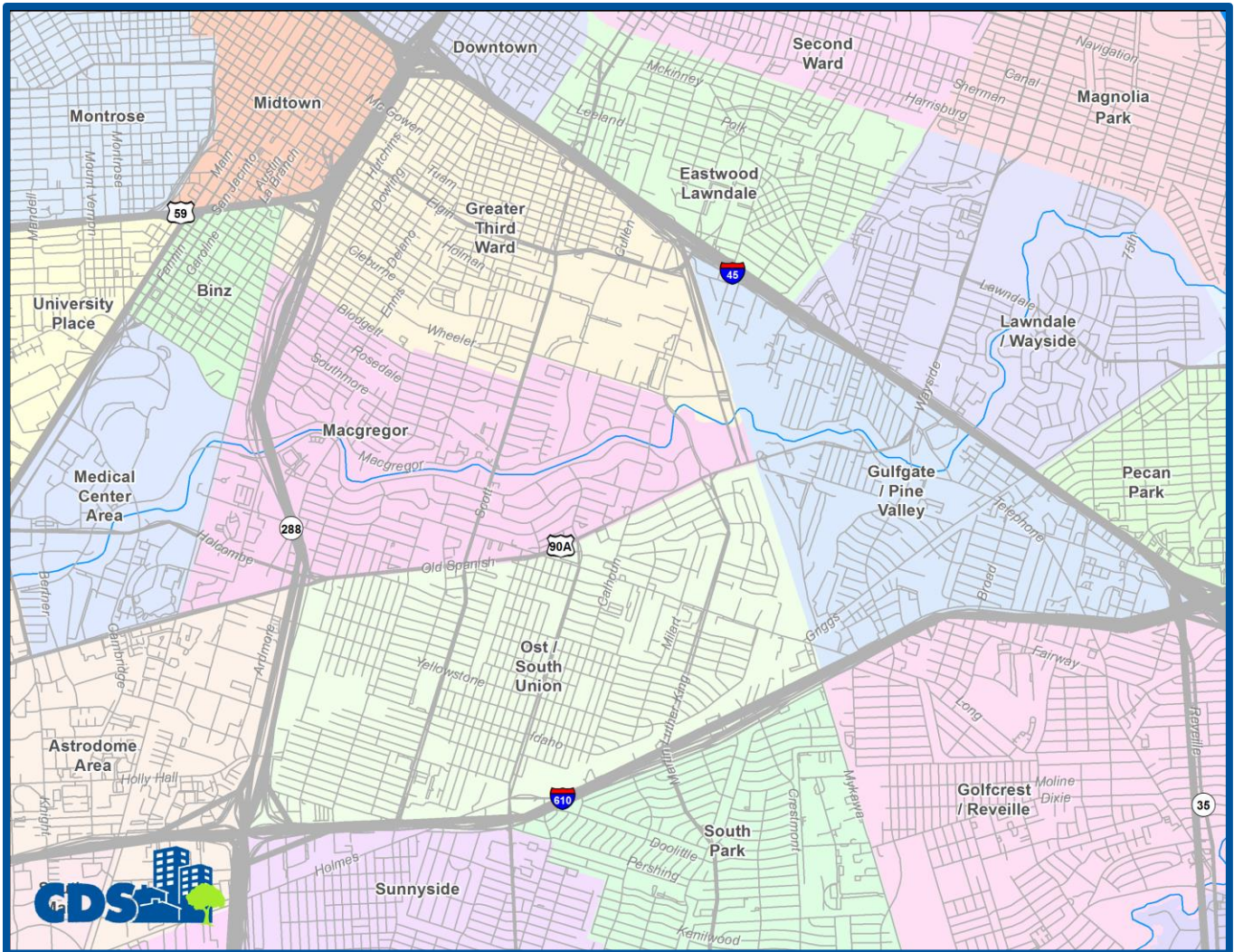


Source: Midtown Redevelopment Authority, Harris County Appraisal District, CDS Community Development Strategies

Southeast Houston

For the purposes of this study, the area bounded by Interstate 45 to the east, Highway 288 to the west, and Interstate 610 to the south, will be referred to as “Southeast Houston” in this study. This area includes most or all of the following super neighborhoods: Greater Third Ward, Macgregor, Gulfgate/Pine Valley, and OST/South Union. This area is the main focus of this study, and is the primary competitive market area, as explained in the next section.

Figure 2: Super Neighborhoods Near the Third Ward



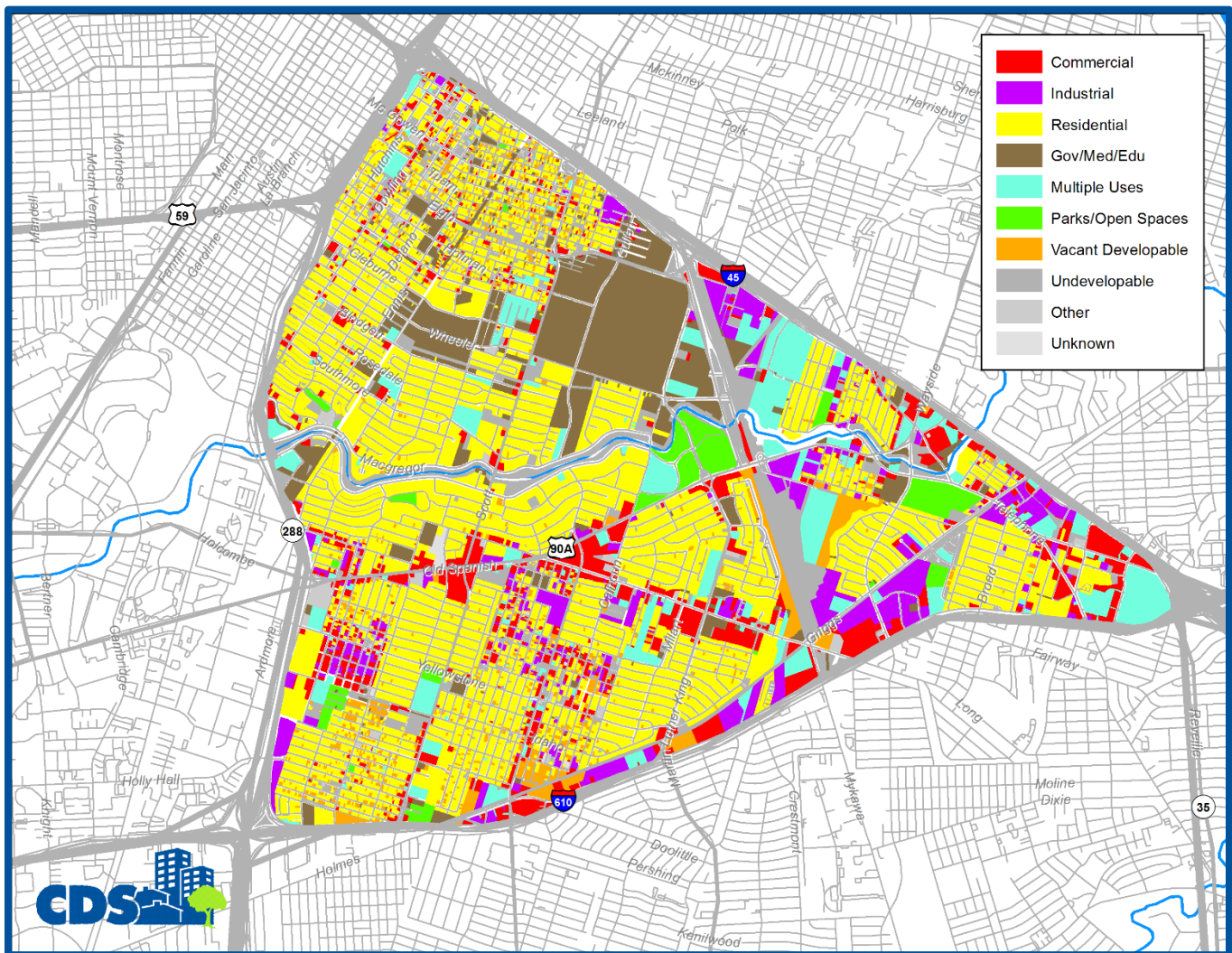
Source: City of Houston, CDS Community Development Strategies

Within Southeast Houston, it is helpful to review the existing land use conditions of the area. This was done using multiple sources. The first source utilized was the Harris County Appraisal District (HCAD). The HCAD is a regional agency responsible for appraising all property within the boundaries of Harris County for property tax purposes. In addition to appraising the value, HCAD also designates the current land use on each parcel. Because HCAD’s focus is tax collection, land uses are not always coded in a way that would be intuitive to a casual observer on the street. Because of this, the H-GAC has reclassified HCAD data into more meaningful and accurate categories. The

following figure displays the HCAD data as classified by the H-GAC. After reviewing this depiction with first-hand, on-street observations, this land use data appears to provide a helpful overview of the existing conditions in the CMA.

As shown in the map, Southeast Houston is dominated by residential land uses. However, more than many parts of the Houston area there is a mix of several other land uses, including public buildings (UH and TSU), commercial properties along the major thoroughfares, industrial uses near the interstates, and several parcels with mixed uses. In addition, there are large areas of open space—which includes developable and undevelopable land such as the Brays Bayou greenspace, the rail yards near Produce Row, the Spur 5 right of way, and others (currently, there are no plans to extend Spur 5 in the near term).

Figure 3: Land Use in Southeast Houston



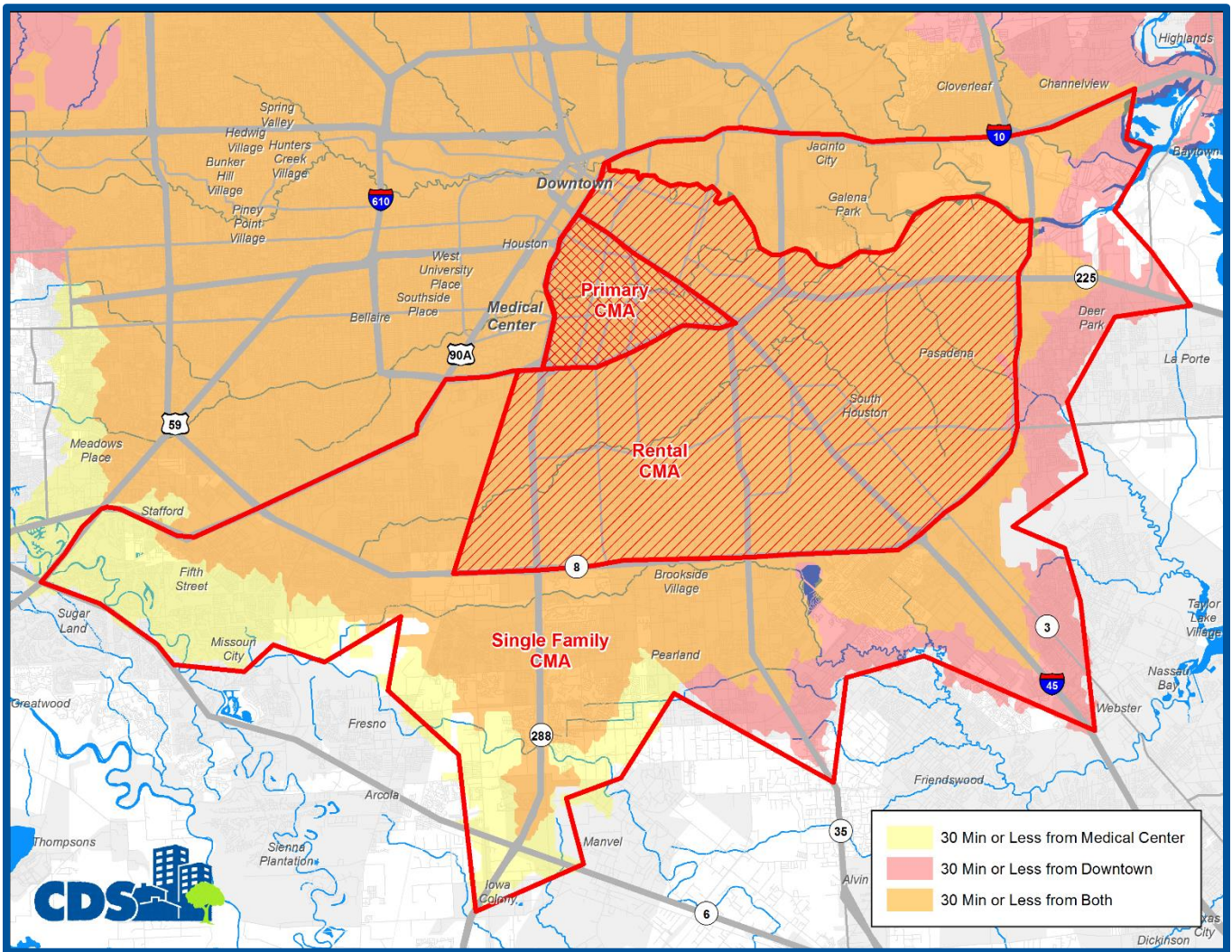
Source: HCAD, H-GAC, CDS Community Development Strategies

Although it may be difficult to see at this scale, there is also a fair amount of vacant developable land interspersed throughout Southeast Houston. Many of these parcels are properties where the buildings have fallen into disrepair and were razed. As mentioned previously, the MRA owns many of these lots.

Competitive Market Areas

This study examines three main geographies or competitive market areas (CMAs): the primary CMA, the rental CMA, and the single family CMA. Each CMA was created with the intent to capture the demographic and market activity relevant to each property type being examined. In other words, to examine the rental housing market in the primary CMA it is important to look at a larger area (the rental CMA) where prospective renters will be comparing options. The single family CMA encompasses an even greater extent, given the tendency of prospective home buyers to consider a wider area when shopping for a house.

Figure 4: CMAs Defined



Source: CDS Community Development Strategies

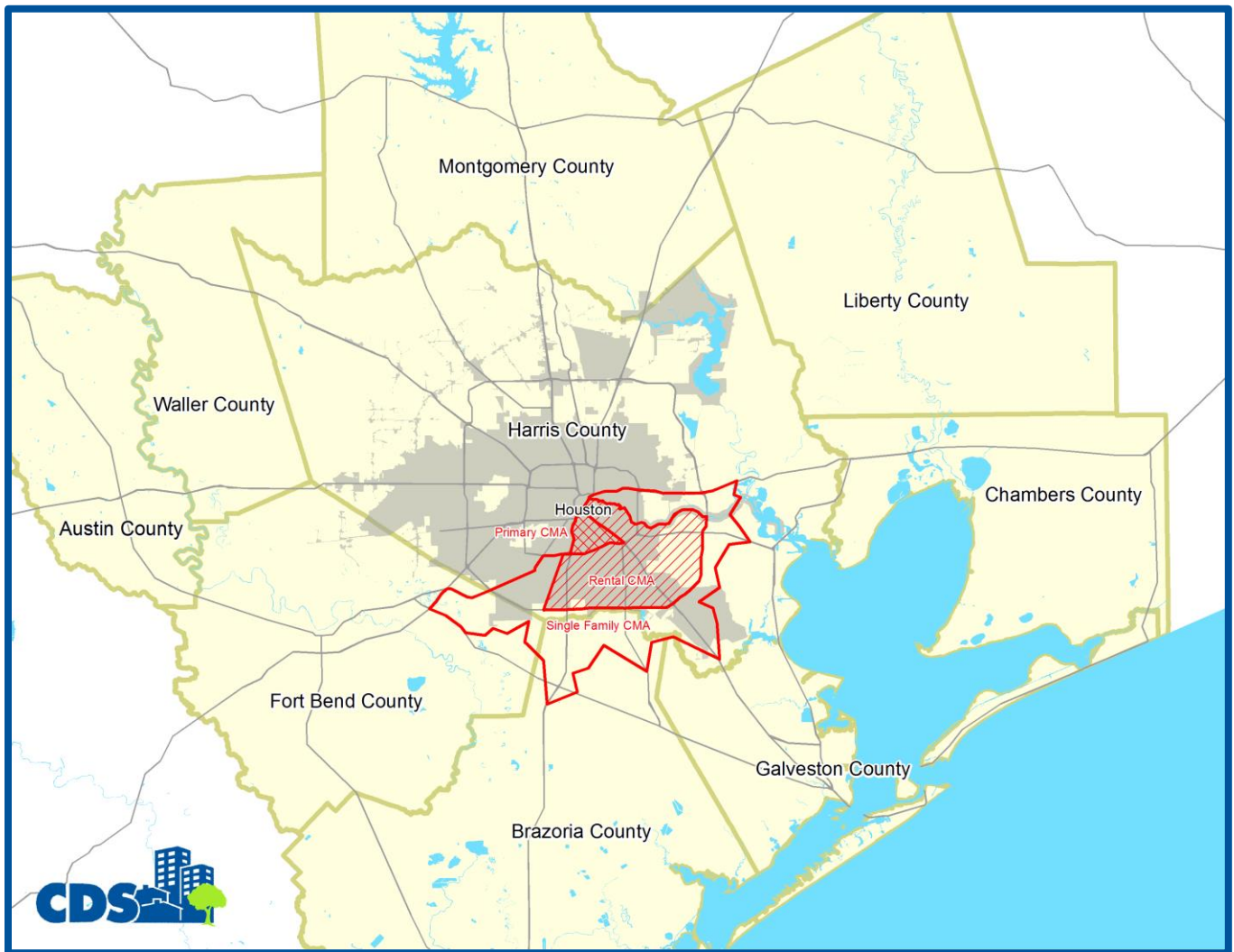
While individuals and households make decisions about where to live based on multiple factors, the proximity to work plays a vital part. This fact heavily influenced the delineation of the single family CMA, which is based on the area covered by a 30-minute drive time from either Downtown Houston or the Medical Center. These are both important job centers which account for roughly 250,000 jobs combined. Two other factors were also considered:

affordability and neighborhood demographics (which is why the area to the West and the area north of I-10 were not included in the single family CMA).

The Houston MSA

The Houston-The Woodlands-Sugar Land Metropolitan Statistical Area (Houston MSA) comprises nine counties: Austin, Brazoria, Chambers, Fort Bend, Harris, Galveston, Liberty, Montgomery, and Waller. The Houston MSA has a long history as a growth-oriented region with conditions that are generally supportive of business expansion—including low cost of living, affordable real estate prices, low unionization rates, and a pro-business regulatory environment. Despite periodic slowdowns—such as the current one—the region’s growth has been consistently strong over the last several decades, and is expected to continue. For comparison purposes, several of the tables in this study also include data for the City of Houston, Harris County, and the Houston MSA.

Figure 5: Map of the CMAs and the Houston MSA



Source: CDS Community Development Strategies

Housing Affordability in the Houston Area – From the Kinder Institute

While this study focuses on Southeast Houston, reviewing affordability data for the Houston region is critical. The Kinder Institute for Urban Research has recently assembled and released demographic data related to housing affordability in the Houston area. The Kinder Institute is a multi-disciplinary “think-and-do tank” housed on the Rice University campus in central Houston, focusing on urban issues in Houston, the American Sunbelt, and around the world. With their permission, the latest estimates for the Houston area are as follows:

- **Houston Area Households in Need:**
 - 627,910 households in Harris County make less than 80% of HUD’s area median income for Harris County.
 - 69% of the households making less than 80% of HUD’s area median income for Harris County are cost burdened (paying at least 30% of their income to housing) or live in units with one or more major problems (lacking kitchen, bath, or more than 1 person per bedroom).
 - Across all income groups, 305,905 households in Harris County are facing severe housing problems of more than 50% of income or one or more major problems. 189,895 of those households are in the city of Houston.
 - There are 134,040 households in Harris County that make less than 30% AMI (area median income) and spend more than 50% of their household income on housing.
 - There are 58,250 households making between 30-50% AMI and spending more than 50% of their income on housing.
 - There are 22,375 household making between 50-80% AMI and spending more than 50%
 - Altogether, 214,665 households that are making less than 80% of the area median income are spending more than 50% of their income on housing.
- **Affordable Housing Demand:** The demand for affordable housing ranges between 215,000 and 435,000 units depending upon the goals chosen.
 - To house the poorest who are spending the most on housing, the need is 215,000 units. To assist all households that are burdened, then 435,000 are needed.
- **Affordable Housing Supply:** Estimated 90,000 affordable housing units.
 - Public: 22,294 vouchers from HHA and HCHA; 5,500 Public Housing units from HHA; 47,732 LIHTC since 1990 (some affordability periods have expired); 8,982 Non-LIHTC units across Harris County. Estimated total 84,508 public subsidized units.
 - Private: Among major CDC’s and non-profits, including Avenue, Fifth Ward CRC, Neighborhood Recovery CDC, Project Row Houses CDC, New Hope Housing, Star of Hope, and Habitat for Humanity there are an estimated 4000 units.
- **Affordable Housing Gap:** The number of affordable housing units the Houston area needs to add varies with the objective:
 - To serve the 214,000 households that are below 80% and are severely cost burdened: 124,000 units.
 - Rolling up to the 305,000 that are cost burdened or have a severe problem: 215,000 units.
 - Including all households under 80% AMI paying more than 30% of their income to housing (435,515): 345,515 units.

Demographic Analysis

Demographic Overview

The demographic information provided in this study was assembled using the following data sources: US Census, American Community Survey (ACS), and Nielsen/Claritas – PCensus for ArcView (hereafter referred to as “PCensus”). This information should be viewed as a best estimate, being ultimately based on ACS surveys and Census collected data from self-reporting participants. The following table provides a demographic overview of the CMAs and other larger geographies. This data is broken down into three main sections: population characteristics, household characteristics, and housing unit characteristics.

Table 1: Demographic Overview for the Areas of Analysis, 2016

Areas	Primary CMA	Rental CMA	Single Family CMA	Houston	Harris County	Houston MSA
Population Characteristics						
Population	63K	546K	1,043K	2,315K	4,556K	6,677K
White *	8%	11%	19%	25%	31%	37%
Black *	58%	23%	24%	22%	18%	17%
Asian *	3%	2%	6%	7%	7%	7%
Other *	2%	1%	2%	2%	2%	2%
Hispanic	30%	62%	50%	45%	42%	37%
≥ Age 25, Bachelor Degree +	22%	12%	21%	30%	29%	30%
Median Age	30.7	31.4	32.8	33.7	33.5	34.4
Age 65+	12%	10%	10%	11%	10%	11%
Household Characteristics						
Total Households (HH)	22K	176K	341K	866K	1,591K	2,321K
Owner Occupied	40%	51%	61%	46%	57%	63%
Renter Occupied	60%	49%	39%	54%	43%	37%
Average HH Size	2.6	3.1	3.0	2.6	2.8	2.8
HH with Children	44%	52%	52%	49%	52%	51%
Median HH Income	\$31K	\$39K	\$49K	\$48K	\$57K	\$62K
Housing Unit Characteristics						
Total Housing Units	27K	199K	374K	978K	1,758K	2,559K
Single Family **	57%	62%	70%	51%	61%	66%
Median Year Built	1960	1970	1979	1978	1985	1989
Median Unit Value ***	\$119K	\$104K	\$131K	\$151K	\$156K	\$170K
Average Commute (Minutes)	26	29	31	29	31	32

Source: US Census, American Community Survey, PCensus, CDS Community Development Strategies

Notes: * Non-Hispanic, ** Attached & Detached, *** Owner Occupied

Observations from the previous table include the following:

- The primary CMA has a large African-American population, making up 58% of residents. This compares to 17% for the Houston MSA. In part because of its unique demographics, Southeast Houston has had an importance influence on Black History of Houston. Given these two facts, it is understandable that there is concern over how the nature of the primary CMA is changing.

- Although the difference is small, the primary CMA has the lowest median age but also the highest percentage of residents over the age of 65. The primary CMA also has the lowest percentage of households with children. This speaks to the lack of newer single family neighborhoods which households with children often prefer.
- The primary CMA has the lowest percentage of family households, making up only 58% of all households. In contrast, family households make up 71% of all households in the Houston MSA. Nonfamily households consist of people who live alone or who share their residence with unrelated individuals. The predominance of nonfamily households in the primary CMA is related to the presence of students in the area.
- Median incomes are lowest in the primary CMA and rental CMA, roughly \$20K to \$30K less than the median in Harris County and the Houston MSA.
- While housing units are predominately single family structures in the primary CMA—similar to the percentage for the MSA—housing is 60% renter occupied compared to the MSA at 37%. This is due in part to the lower incomes and home purchasing power of residents in the primary CMA. This is also related to the age of the community and the fact that the original owners of many homes have passed on but the family has decided to rent instead of sale.
- The median age of housing units in the primary CMA is 56 years (1960), nearly 30 years older than the median for the Houston MSA.

Population by Age

The following table provides current population by age statistics for the CMAs and other larger geographies. Most of the areas are similar, but the primary CMA stands out for the reasons stated previously, as well as nearly double the share of the population age 18 to 24. This is related to the presence of the University of Houston (UH) and Texas Southern University (TSU) within the boundaries of the primary CMA.

Table 2: Population by Age for the Areas of Analysis, 2016

Age	Primary CMA	Rental CMA	Single Family CMA	Houston	Harris County	Houston MSA
Age 0 to 4	6.7%	8.6%	8.0%	7.5%	7.7%	7.4%
Age 5 to 9	6.5%	8.1%	7.9%	7.4%	7.6%	7.5%
Age 10 to 14	6.1%	7.7%	7.7%	6.9%	7.4%	7.5%
Age 15 to 17	4.1%	4.6%	4.6%	4.0%	4.4%	4.4%
Age 18 to 20	9.2%	4.8%	4.5%	3.9%	4.1%	4.1%
Age 21 to 24	9.1%	6.2%	5.8%	5.4%	5.6%	5.5%
Age 25 to 34	14.7%	15.7%	14.8%	17.3%	15.4%	14.4%
Age 35 to 44	11.1%	13.4%	13.8%	14.3%	14.3%	14.1%
Age 45 to 54	10.5%	11.5%	12.2%	12.2%	12.8%	13.2%
Age 55 to 64	10.3%	9.6%	10.5%	10.6%	10.9%	11.4%
Age 65 to 74	6.6%	5.8%	6.3%	6.4%	6.2%	6.7%
Age 75 to 84	3.8%	3.0%	2.9%	3.0%	2.7%	2.8%
Age 85 and over	1.5%	1.1%	1.0%	1.2%	1.0%	1.0%
Age 17 and under	23.3%	29.0%	28.2%	25.8%	27.1%	26.8%
Age 18 to 24	18.3%	11.0%	10.3%	9.3%	9.7%	9.6%
Age 65 and over	11.8%	9.8%	10.3%	10.6%	9.9%	10.5%
Median Age	30.7	31.4	32.8	33.7	33.5	34.4

Source: US Census, American Community Survey, PCensus, CDS Community Development Strategies

Transportation

The following table provides current transportation related statistics for the CMAs and other larger geographies. Four times as many households in the primary CMA have no vehicles compared to the Houston MSA. Three times as many workers in the primary CMA use an alternative mode to work (other than personal vehicles) compared to the Houston CMA. Despite this, commute times are not drastically shorter. These differences are not necessarily related to lifestyle preferences alone, especially considering the economic challenges in the primary CMA. However, the proximity and quality of alternative transportation choices in the primary CMA—such as the new METRORail Southeast line—provide viable options for those who want to have fewer or no vehicles.

Table 3: Transportation Statistics for the Areas of Analysis, 2016

Areas	Primary CMA	Rental CMA	Single Family CMA	Houston	Harris County	Houston MSA
Vehicles Owned						
No Vehicles	23%	12%	8%	10%	7%	6%
1 Vehicle	40%	39%	35%	42%	37%	34%
2 Vehicles	26%	33%	38%	34%	39%	41%
3+ Vehicles	11%	17%	19%	14%	18%	19%
Commute Time to Work						
Less than 15 minutes	31%	21%	18%	21%	19%	20%
15 to 29 Minutes	37%	39%	37%	39%	36%	34%
30 to 44 Minutes	19%	25%	27%	25%	26%	25%
45 to 59 Minutes	5%	7%	10%	7%	10%	11%
60 or more Minutes	8%	8%	8%	7%	9%	10%
Average Commute (Minutes)	26	29	31	29	31	32
Mode to Work						
Drove Alone	66%	76%	80%	76%	79%	80%
Car Pooled	11%	13%	12%	12%	11%	11%
Public Transportation	10%	4%	2%	4%	3%	2%
Walked	6%	2%	1%	2%	2%	1%
Bicycle	2%	1%	0%	1%	0%	0%
Other Means	2%	2%	1%	2%	1%	1%
Worked at Home	4%	2%	3%	3%	3%	4%

Source: US Census, American Community Survey, PCensus, CDS Community Development Strategies

Households with Children

The following table displays family households in each area based on the presence of children. Most of the geographies are fairly similar, except for the primary CMA. The primary CMA the lowest share of total households with children, roughly half of which are female householders with children (the vast majority of which are assumed to be single mothers). This is essentially double the rate of the Houston MSA. The primary CMA also has double

the percentage of male householders with no children when compared to the Houston MSA, and nearly three times as many female householders with no children.

Table 4: Households with Children in the Areas of Analysis, 2016

Areas	Primary CMA	Rental CMA	Single Family CMA	Houston	Harris County	Houston MSA
Family Households	13K	124K	250K	533K	1,091K	1,650K
Households with Children						
Married-Couple Family, own children	20%	32%	34%	31%	35%	36%
Male Householder, own children	4%	5%	4%	4%	4%	4%
Female Householder, own children	20%	16%	13%	14%	13%	11%
Total Households	44%	52%	52%	49%	52%	51%
Households with No Children						
Married-Couple Family, no own children	25%	28%	32%	33%	34%	36%
Male Householder, no own children	8%	6%	5%	6%	5%	4%
Female Householder, no own children	23%	14%	12%	12%	9%	9%
Total Households	56%	48%	48%	51%	48%	49%

Source: US Census, American Community Survey, PCensus, CDS Community Development Strategies

Note: This data excludes non-family households

Population and Income Trends

The following table provides demographic trends for three important categories: population growth, household growth, and household income growth. These three categories are among the most important factors that affect housing demand. Observations from the previous table include the following:

- The Houston MSA experienced tremendous population and household growth from 2000 to 2016. In contrast the primary CMA experienced little growth. However, it’s important to understand that new development has occurred in the Third Ward, but this growth has been relatively small in comparison and has been masked by the loss of homes due to condemnation and redevelopment.
- When adjusted for inflation, household incomes in nearly all geographies have been stagnant or declining. The exception is the primary CMA, where household incomes grew 5% from 2010 to 2016. The likely reason for this unique growth is related to the gentrification that has just begun to occur. Redevelopment in many cases means replacing lower income households with moderate or higher income households.

Table 5: Demographic Trends for the Areas of Analysis, 2000 to 2016

Areas	Primary CMA	Rental CMA	Single Family CMA	Houston	Harris County	Houston MSA
Population Growth						
2000 Population	60K	485K	826K	1,975K	3,401K	4,693K
2010 Population	60K	514K	956K	2,099K	4,092K	5,920K
2016 Population	63K	546K	1,043K	2,315K	4,556K	6,677K
2000 - 2010 Change	0%	6%	16%	6%	20%	26%
2010 - 2016 Change	5%	6%	9%	10%	11%	13%
2000 - 2016 Change	5%	13%	26%	17%	34%	42%
Household (HH) Growth						

SOUTHEAST HOUSTON HOUSING MARKET NEEDS ASSESSMENT

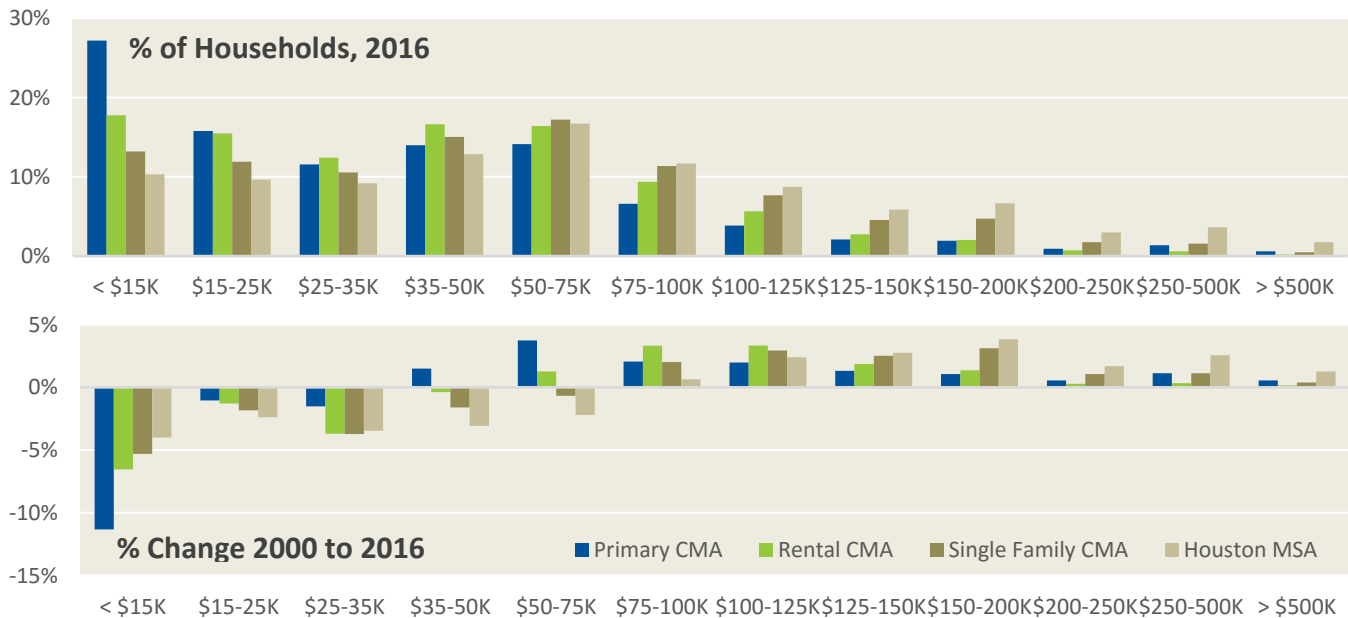
Areas	Primary CMA	Rental CMA	Single Family CMA	Houston	Harris County	Houston MSA
2000 HHs	21K	156K	267K	725K	1,206K	1,648K
2010 HHs	21K	165K	312K	780K	1,435K	2,063K
2016 HHs	22K	176K	341K	866K	1,591K	2,321K
2000 - 2010 Change	-1%	6%	17%	8%	19%	25%
2010 - 2016 Change	7%	7%	9%	11%	11%	13%
2000 - 2016 Change	6%	13%	27%	19%	32%	41%
Household (HH) Income Growth						
2000 Median HH Income *	\$30.5K	\$42.7K	\$53.3K	\$52.4K	\$60.9K	\$63.4K
2010 Median HH Income *	\$29.7K	\$41.2K	\$52.7K	\$49.6K	\$58.7K	\$63.2K
2016 Median HH Income	\$31.1K	\$38.9K	\$49.3K	\$47.8K	\$56.9K	\$62.0K
2000 - 2010 Change	-3%	-4%	-1%	-5%	-4%	0%
2010 - 2016 Change	5%	-5%	-6%	-4%	-3%	-2%
2000 - 2016 Change	2%	-9%	-7%	-9%	-7%	-2%

Source: US Census, American Community Survey, PCensus, CDS Community Development Strategies
 Notes: * Income figures prior to 2016 have been adjusted for inflation

The following charts and table reveal the household income trends by income group for each of the CMAs as well as the Houston MSA. Noteworthy observations include the following:

- The < \$15K household income group makes up the largest share of households in the primary CMA at roughly 27%. However, the primary CMA has seen a large decrease (-11%) in the share of households in this income group from 2000 to 2016. The largest increase for the primary CMA has been in the \$50K to \$75K household income group.
- Despite the general increases from 2000 to 2016, households with income below \$50K still make up 69% of the primary CMA, 62% of the rental CMA, 51% of the single family CMA, and 42% of households in the Houston MSA.

Figure 6: Annual Household Income Trends (\$), 2000 to 2016



Source: US Census, American Community Survey, PCensus

Table 6: Household Income Trends, 2000 to 2016

Location	Primary CMA			Rental CMA			Single Family CMA			Houston MSA		
	Year	2000	2016	Change	2000	2016	Change	2000	2016	Change	2000	2016
Total Households	21,009	22,222	5.8%	155,624	176,008	13.1%	267,411	340,725	27.4%	1,648,146	2,320,806	40.8%
Less than \$15,000	38.5%	27.2%	-11.3%	24.3%	17.8%	-6.5%	18.5%	13.2%	-5.3%	14.3%	10.3%	-4.0%
\$15,000 to \$24,999	16.8%	15.8%	-1.1%	16.8%	15.5%	-1.3%	13.7%	11.9%	-1.8%	12.0%	9.6%	-2.4%
\$25,000 to \$34,999	13.1%	11.6%	-1.5%	16.1%	12.4%	-3.7%	14.3%	10.6%	-3.7%	12.7%	9.2%	-3.5%
\$35,000 to \$49,999	12.5%	14.0%	1.5%	17.0%	16.6%	-0.4%	16.6%	15.0%	-1.6%	15.9%	12.9%	-3.1%
\$50,000 to \$74,999	10.4%	14.1%	3.7%	15.1%	16.4%	1.3%	17.9%	17.2%	-0.7%	18.9%	16.7%	-2.2%
\$75,000 to \$99,999	4.6%	6.6%	2.1%	6.1%	9.4%	3.3%	9.4%	11.4%	2.0%	11.1%	11.7%	0.6%
\$100,000 to \$124,999	1.9%	3.9%	2.0%	2.3%	5.6%	3.3%	4.7%	7.7%	2.9%	6.3%	8.7%	2.4%
\$125,000 to \$149,999	0.8%	2.1%	1.3%	0.9%	2.7%	1.9%	2.0%	4.6%	2.5%	3.1%	5.9%	2.8%
\$150,000 to \$199,999	0.9%	1.9%	1.1%	0.7%	2.0%	1.4%	1.6%	4.7%	3.1%	2.8%	6.7%	3.8%
\$200,000 to \$249,999	0.4%	0.9%	0.6%	0.4%	0.7%	0.3%	0.7%	1.8%	1.1%	1.3%	3.0%	1.7%
\$250,000 to \$499,999	0.2%	1.4%	1.1%	0.3%	0.6%	0.3%	0.4%	1.6%	1.1%	1.1%	3.6%	2.6%
\$500,000 or more	0.1%	0.6%	0.6%	0.0%	0.2%	0.2%	0.1%	0.5%	0.4%	0.5%	1.8%	1.3%
Median HH Income	\$21,827	\$31,079	42.4%	\$30,545	\$38,916	27.4%	\$38,147	\$49,334	29.3%	\$45,353	\$61,968	36.6%
Inflation Adjusted Median	\$30,503	\$31,079	1.9%	\$42,686	\$38,916	-8.8%	\$53,310	\$49,334	-7.5%	\$63,380	\$61,968	-2.2%

Source: US Census, American Community Survey, PCensus

* Note: Inflation adjustment is based on Bureau of Labor Statistics CPI Inflation Calculator (\$100 in 2000 = \$139.97 in 2016)

Housing and Household Trends

The following tables and figures present information regarding the housing characteristics and trends in the area. The majority of this information is derived from the US Census and the American Community Survey, and in some cases is self-reported data. While this can generate minor anomalies, the information presented in this section still provides a valuable overview of the housing situation in the area.

Housing Type Trends

The following table contains an estimate of the number and type of housing units in the CMAs. This data comes from the 2000 and 2010 Census as well as Census based estimates for 2016. Notable observations include the following:

- Single family detached housing currently makes up an estimated 53% of all units in the primary CMA, 59% in the rental CMA, and 67% in the single family CMA. This compares to 63% for the Houston MSA.
- The single family CMA has seen a significant growth in the overall number of housing units, with large increases in single family detached homes and small to medium sized multifamily structures, and a decrease in the number of units in large complexes (50+ units). The rental CMA is similar, except for lower growth in the number of single family detached units. The primary CMA has seen the slow growth in the number of overall units, at less than half the percentage change experienced by the single family CMA. The largest percentage growth in the primary CMA has come in medium and large sized multifamily structures, and single family attached housing (condos and townhomes).

- Besides the last two unit types, the only housing type to see a decrease in the primary CMA is the duplex (2 units). This housing type makes up roughly 3.9% of the housing stock in the primary CMA in 2016, down from 5.7% in 2000. In 2016, duplexes make up 2.6% of the housing stock in the rental CMA, and 1.6% in the single family CMA.

Table 7: Housing Type Trends, 2000 to 2016

Location	Primary CMA			Rental CMA			Single Family CMA			
	Year	2000	2016	Change	2000	2016	Change	2000	2016	Change
Total Housing Units		23,758	26,689	12.3%	168,567	199,133	18.1%	285,253	374,309	31.2%
1 Unit Attached		877	1,035	18.0%	5,798	5,708	-1.6%	9,142	10,402	13.8%
1 Unit Detached		13,852	14,110	1.9%	99,585	117,458	17.9%	189,345	249,737	31.9%
2 Units		1,366	1,046	-23.4%	4,761	5,189	9.0%	5,548	6,170	11.2%
3 to 19 Units		4,287	5,924	38.2%	23,868	39,134	64.0%	33,011	59,125	79.1%
20 to 49 Units		684	1,106	61.7%	5,209	9,286	78.3%	6,981	14,608	109.3%
50 or More Units		2,204	3,083	39.9%	23,975	17,248	-28.1%	30,680	22,907	-25.3%
Mobile Home or Trailer		453	383	-15.5%	5,186	4,858	-6.3%	10,252	10,966	7.0%
Boat, RV, Van, etc.		35	2	-94.3%	185	251	35.7%	295	395	33.9%

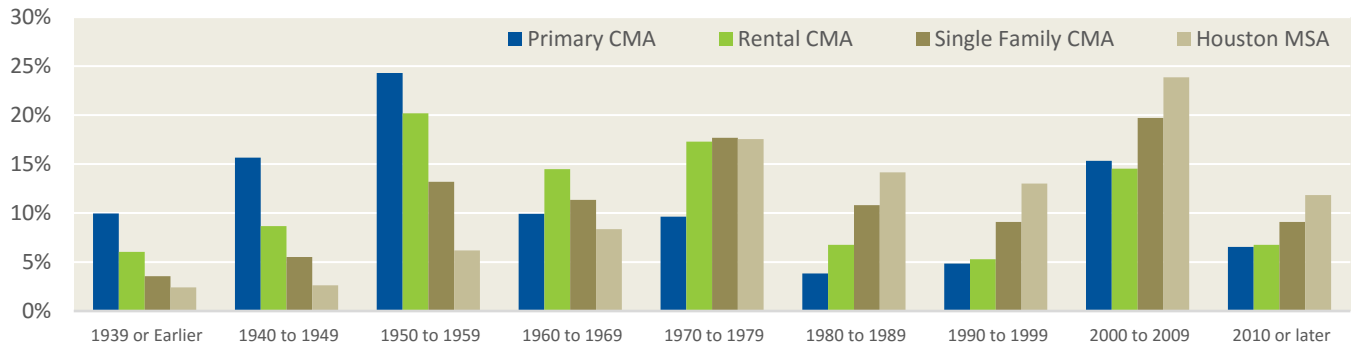
Source: US Census, American Community Survey, PCensus

Age of Existing Housing

The following chart and table display estimates for the age of the existing housing stock in the CMAs and the Houston MSA. This information is based on self-reported data gathered by the Census. Notable observations include the following:

- As was referenced earlier, the collective age of the housing stock in the primary CMA is considerably older than the housing stock in the Houston MSA. Roughly half of the housing stock in the primary CMA was built before 1960.
- Residents who are surveyed often have a tendency to underestimate the age of their dwelling, particularly if they are renters. Therefore, the numbers presented should be viewed with discretion (especially when comparing the number of units added since 2000 with other estimates in this study).

Figure 7: Age of Existing Housing Stock, 2000 to 2016



Source: US Census, American Community Survey, PCensus

Table 8: Age of Existing Housing Stock, 2000 to 2016

2016 Estimate	Primary CMA		Rental CMA		Single Family CMA		Houston MSA	
Total Housing Units	26,689		199,133		374,309		2,558,519	
Built 2010 or later	1,745	6.5%	13,448	6.8%	34,049	9.1%	302,947	11.8%
Built 2000 to 2009	4,091	15.3%	28,942	14.5%	73,755	19.7%	610,311	23.9%
Built 1990 to 1999	1,293	4.8%	10,523	5.3%	34,043	9.1%	333,101	13.0%
Built 1980 to 1989	1,022	3.8%	13,470	6.8%	40,447	10.8%	362,253	14.2%
Built 1970 to 1979	2,570	9.6%	34,444	17.3%	66,190	17.7%	449,189	17.6%
Built 1960 to 1969	2,648	9.9%	28,851	14.5%	42,487	11.4%	213,672	8.4%
Built 1950 to 1959	6,484	24.3%	40,189	20.2%	49,372	13.2%	158,148	6.2%
Built 1940 to 1949	4,178	15.7%	17,249	8.7%	20,660	5.5%	67,021	2.6%
Built 1939 or Earlier	2,658	10.0%	12,017	6.0%	13,306	3.6%	61,877	2.4%

Source: US Census, American Community Survey, PCensus

Housing Occupancy Trends

The following table provides estimates for housing occupancy in the CMAs and the Houston MSA. Overall, the balance of owner occupied versus rental occupied housing has remained similar in each geography. The most notable difference is a rise in the vacancy rate for all areas. The state and national average is 11.5% and 12.5% respectively. This puts the primary and rental CMAs above and on par with the state and nation, while the single family CMA and Houston MSA are lower. The vacancy rate considers all types of vacant housing (including temporarily unoccupied housing, uninhabitable homes, second homes, etc.). Generally, the largest portion of vacant housing in a stabilized market is made up of unoccupied rental units and for-sale homes currently on the market. The higher vacancy rate in the primary and rental CMAs is likely explained by the age and quality of the housing stock. The rise in the vacancy rate for all areas from 2000 to 2016 is likely related to new housing growth and an un-stabilized market with a higher than average share of temporarily unoccupied units.

Table 9: Housing Occupancy Trends, 2000 to 2016

Location	Primary CMA			Rental CMA			Single Family CMA			Houston MSA		
	Year	2000	2016	Change	2000	2016	Change	2000	2016	Change	2000	2016
Total Housing Units	24K	27K	12.3%	169K	199K	18.1%	285K	374K	31.2%	1,788K	2,559K	43.1%
Occupied Housing Units	88.4%	83.3%	-5.2%	92.3%	88.4%	-3.9%	93.6%	91.0%	-2.6%	92.2%	90.7%	-1.5%
Owner Occupied	38.3%	33.1%	-5.3%	47.5%	45.1%	-2.4%	56.7%	55.4%	-1.4%	56.0%	57.0%	1.0%
Renter Occupied	50.1%	50.2%	0.1%	44.9%	43.3%	-1.6%	36.9%	35.7%	-1.2%	36.2%	33.7%	-2.4%
Vacant Housing Units	11.6%	16.7%	5.2%	7.7%	11.6%	3.9%	6.4%	9.0%	2.6%	7.8%	9.3%	1.5%

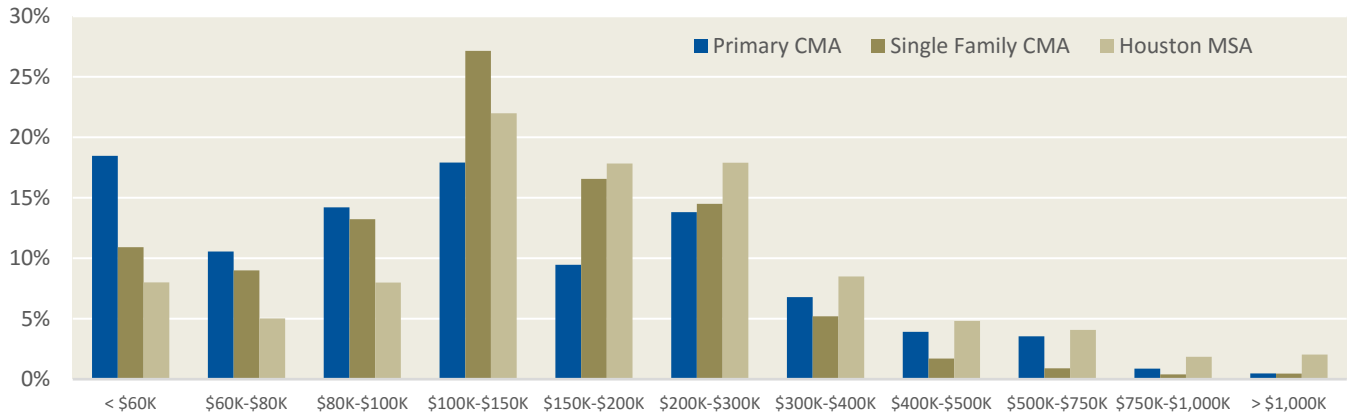
Source: US Census, American Community Survey, PCensus

Owner Occupied Housing Value Trends

The following figure and table display owner occupied housing units grouped into self-reported value ranges for the primary CMA, the single family CMA, and the Houston MSA. When compared to the Houston MSA, homes in

the primary CMA and single family CMA are weighted toward lower values; 61% of homes in the primary CMA and 60% of homes in the single family CMA are valued under \$150k. This compares to 43% for the Houston MSA. Despite this, homes in the primary CMA have seen an inflation adjusted rise in median values of 62% from 2000 to 2016—over 20% more than homes in the Houston MSA.

Figure 8: Owner Occupied Housing Values, 2016



Source: US Census, American Community Survey, PCensus

Table 10: Housing Value Trends, 2000 to 2016

Location	Primary CMA			Single Family CMA			Houston MSA			
	Year	2000	2016	Change	2000	2016	Change	2000	2016	Change
Owner-Occupied Housing		21K	22K	5.8%	156K	176K	13.1%	1,001K	1,458K	45.6%
Less than \$60K		59.3%	18.5%	-40.9%	41.8%	10.9%	-30.9%	27.4%	8.0%	-19.4%
\$60K to \$80K		14.3%	10.6%	-3.7%	21.1%	9.0%	-12.1%	17.9%	5.0%	5.0%
\$80K to \$100K		8.9%	14.2%	5.3%	14.4%	13.2%	-1.2%	15.2%	8.0%	8.0%
\$100K to \$150K		8.3%	17.9%	9.6%	13.4%	27.1%	13.7%	18.7%	22.0%	22.0%
\$150K to \$200K		4.2%	9.5%	5.3%	5.6%	16.6%	11.0%	9.5%	17.8%	17.8%
\$200K to \$300K		2.5%	13.8%	11.3%	2.8%	14.5%	11.7%	6.5%	17.9%	17.9%
\$300K to \$400K		1.0%	6.8%	5.8%	0.5%	5.2%	4.7%	2.3%	8.5%	8.5%
\$400K to \$500K		0.4%	3.9%	3.5%	0.2%	1.7%	1.6%	1.0%	4.8%	4.8%
\$500K to \$750K		0.5%	3.5%	3.0%	0.1%	0.9%	0.8%	1.0%	4.1%	4.1%
\$750K to \$1,000K		0.4%	0.9%	0.5%	0.1%	0.4%	0.3%	0.4%	1.9%	1.9%
\$1,000K or more		0.2%	0.5%	0.3%	0.1%	0.5%	0.4%	0.4%	2.0%	2.0%
Median Value		\$53K	\$119K	126.2%	\$68K	\$131K	93.4%	\$86K	\$170K	96.5%
Inflation Adjusted*		\$73K	\$119K	61.8%	\$95K	\$131K	38.4%	\$121K	\$170K	40.6%

Source: US Census, American Community Survey, PCensus

* Note: Inflation adjustment is based on Bureau of Labor Statistics CPI Inflation Calculator (\$100 in 2000 = \$139.97 in 2016)

Employment Trends

In most locations, local employment is a key indicator used in determining the demand for housing in a community, as well as the principal driver of population and household growth. The information in this section provides general and detailed employment statistics for the Houston Area.

Unemployment Rates

The table below displays unemployment rates for the Houston MSA, Texas, and the United States from 2010 to June 2016. According to the BLS, the “unemployed” are defined as all persons who had no employment during the reference period, were available for work, except for temporary illness, and had made specific efforts to find employment.

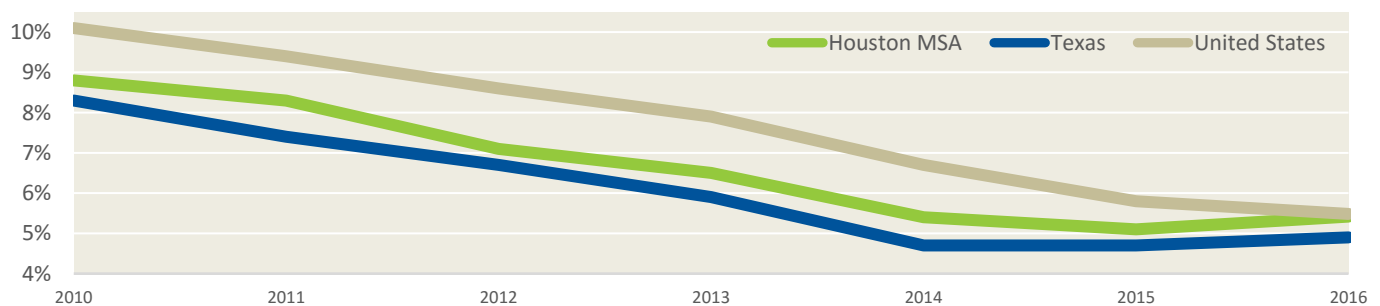
Table 11: Unemployment Rates, 2010 to June 2016

Time Period	Houston MSA	Texas	United States
2010	8.3%	7.8%	9.6%
2011	7.8%	6.9%	8.9%
2012	6.6%	6.2%	8.1%
2013	6.0%	5.4%	7.4%
2014	4.9%	4.2%	6.2%
2015	4.6%	4.2%	5.3%
January 2016	4.8%	4.4%	5.3%
February 2016	4.7%	4.3%	5.2%
March 2016	4.9%	4.5%	5.1%
April 2015	4.8%	4.2%	4.7%
May 2016	4.8%	4.2%	4.5%
June 2016	5.5%	4.8%	5.1%

Source: US Bureau of Labor Statistics, LAUS

The overall unemployment rate for the Houston MSA has remained lower than the national number for some time, and roughly similar to the rate observed for the State. The latest numbers for June 2016 show the Houston MSA rising slightly above the Nation. While this data is preliminary and subject to change, it is likely an accurate indicator of the general trend and related to the impacts of lower price crude oil affecting the Houston area.

Figure 9: Unemployment Rates, 2010 to June 2016



Source: US Bureau of Labor Statistics, LAUS; County numbers are not seasonally adjusted

Employment and Labor Force

The following table presents an estimate of employment figures for the CMAs. It is important to understand that the employment figures in this section are referring to residents (regardless of where they work). The labor force includes all employed residents and all residents actively seeking employment. The unemployment rate is calculated off of the labor force figure. Note that the “In Labor Force” and “Not in Labor Force” numbers do not add up to the total population of each geography; there are populations excluded from this calculation such as children and military personnel.

Figure 10: Employment and Labor Force Data in the CMAs, 2006 to 2016

Category	Primary CMA		Rental CMA		Single Family CMA	
	2010	2016	2010	2016	2010	2016
In Labor Force	31,417	28,497	245,091	253,177	482,350	514,261
Not in Labor Force	21,254	21,672	151,574	151,125	249,484	266,801
Unemployment Rate	10.6%	7.9%	6.3%	7.1%	5.2%	6.2%

Source: US Census, American Community Survey, PCensus

Because employment figures are not tracked for sub-city and sub-county geographies, the numbers in this section for the CMAs should be considered as approximates only. Still, they provide helpful insight into long term trends taking place in the CMA. In the primary CMA, the labor force has been shrinking, but so too has the unemployment rate. Therefore, the number of employed residents is expected to have remained fairly constant.

Employment Trends by Industries Tracked

The following table and figure take a closer look at the employed residents in the CMAs, comparing the share of total jobs by occupation from 2010 with 2016.

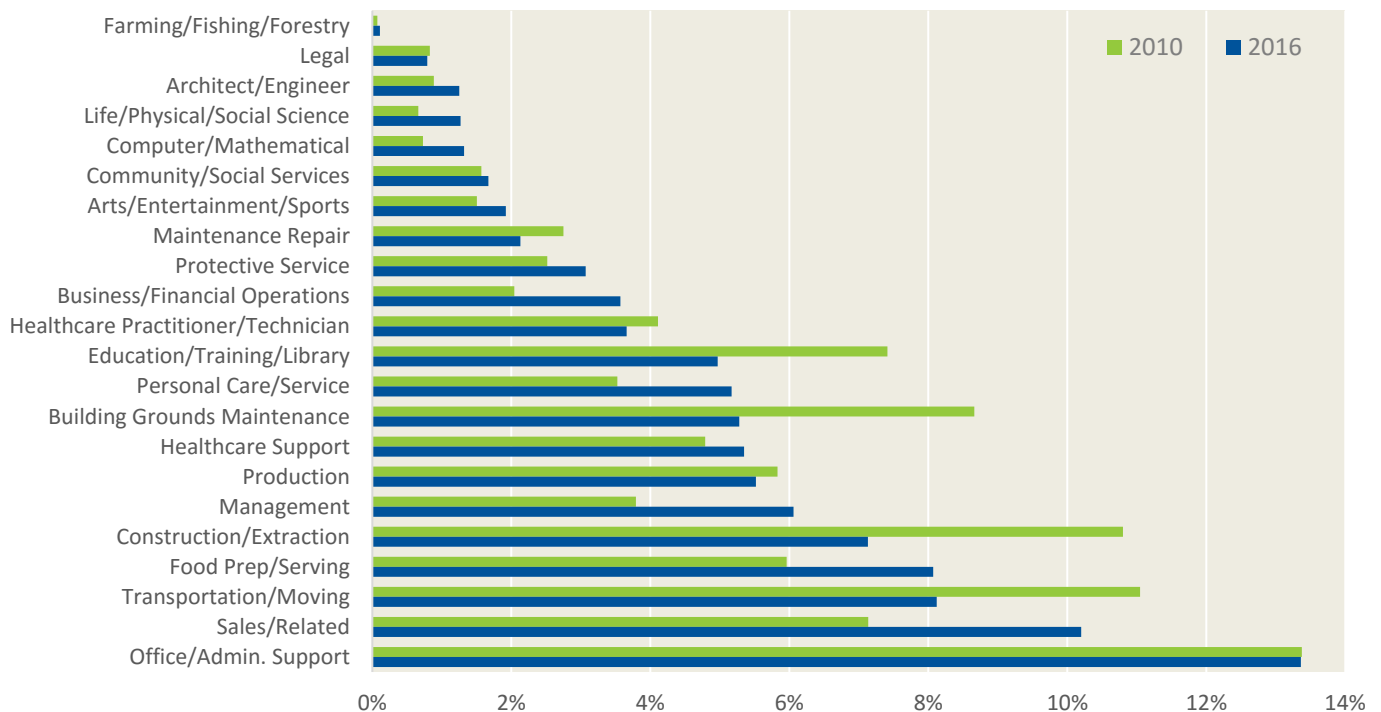
Table 12: Employment Trends by Occupation in the CMAs, 2006 to 2016

Occupation	Primary CMA		Rental CMA		Single Family CMA	
	2010	2016	2010	2016	2010	2016
Management	3.8%	6.1%	3.8%	4.3%	6.7%	6.8%
Business/Financial Operations	2.0%	3.6%	2.0%	2.6%	3.5%	3.8%
Computer/Mathematical	0.7%	1.3%	0.7%	1.0%	1.6%	1.7%
Architect/Engineer	0.9%	1.3%	1.0%	1.1%	2.2%	2.2%
Life/Physical/Social Science	0.7%	1.3%	0.4%	0.6%	0.8%	0.7%
Community/Social Services	1.6%	1.7%	0.8%	1.1%	1.0%	1.2%
Legal	0.8%	0.8%	0.5%	0.7%	0.7%	0.8%
Education/Training/Library	7.4%	5.0%	3.9%	3.8%	5.1%	5.0%
Arts/Entertainment/Sports	1.5%	1.9%	0.9%	1.0%	1.1%	1.5%
Healthcare Practitioner/Technician	4.1%	3.7%	2.6%	3.0%	4.5%	5.6%
Healthcare Support	4.8%	5.4%	2.6%	3.0%	2.2%	2.7%
Protective Service	2.5%	3.1%	2.0%	2.1%	2.0%	2.0%

Occupation	Primary CMA		Rental CMA		Single Family CMA	
	2010	2016	2010	2016	2010	2016
Food Prep/Serving	6.0%	8.1%	6.3%	7.2%	5.3%	6.0%
Building Grounds Maintenance	8.7%	5.3%	6.9%	6.6%	5.1%	5.1%
Personal Care/Service	3.5%	5.2%	3.0%	3.3%	2.7%	3.0%
Sales/Related	7.1%	10.2%	8.4%	8.7%	9.9%	9.3%
Office/Admin. Support	13.4%	13.4%	13.5%	13.1%	13.9%	13.5%
Farming/Fishing/Forestry	0.1%	0.1%	0.1%	0.3%	0.1%	0.2%
Construction/Extraction	10.8%	7.1%	16.0%	13.7%	11.2%	9.7%
Maintenance Repair	2.8%	2.1%	4.6%	4.2%	4.1%	4.1%
Production	5.8%	5.5%	9.7%	9.9%	8.1%	7.9%
Transportation/Moving	11.0%	8.1%	10.4%	8.6%	8.2%	7.4%

Source: US Census, American Community Survey, PCensus

Figure 11: Employment Trends by Occupation in the Primary CMA, 2006 to 2016



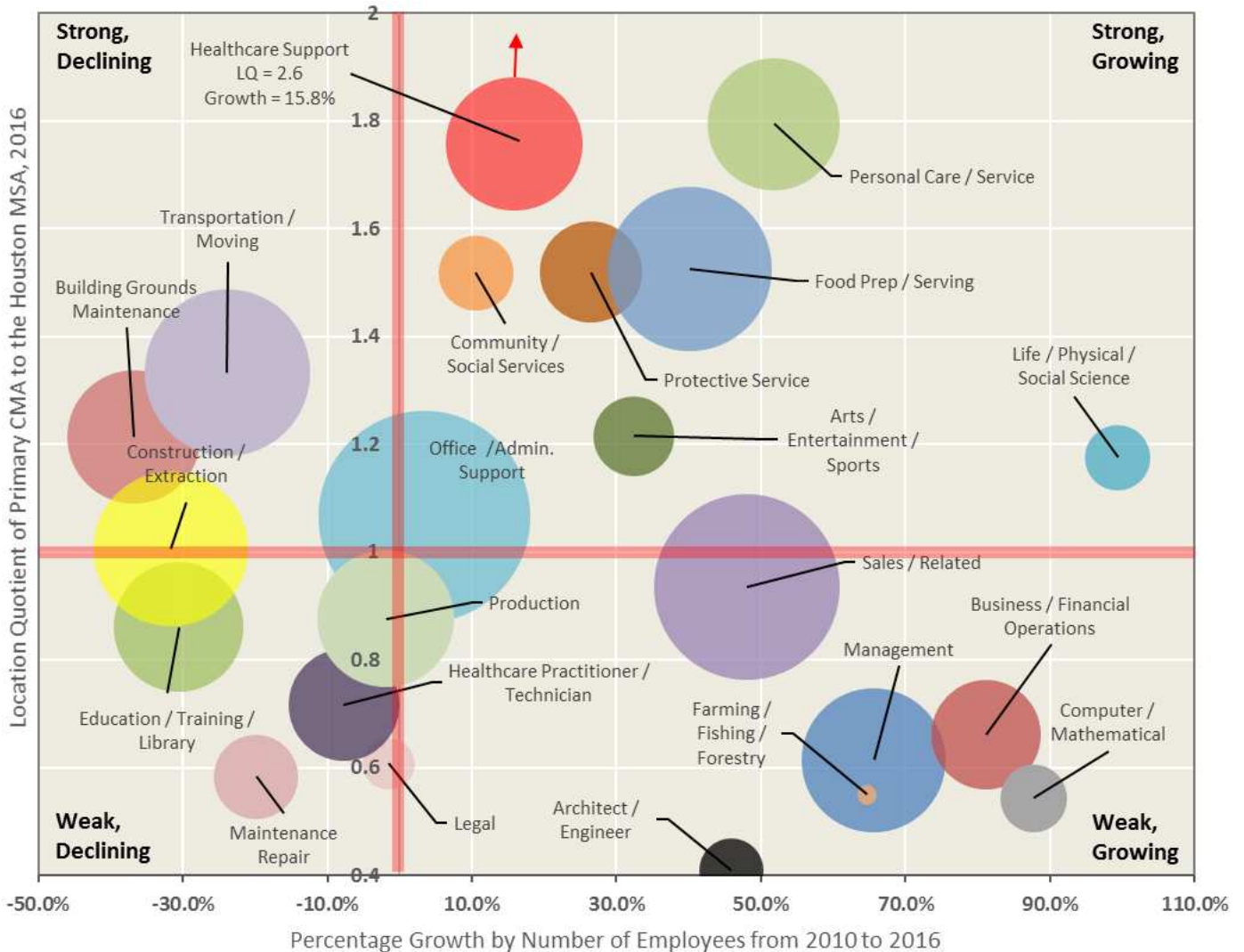
Source: CDS utilizing data from the US Bureau of Labor Statistics

In the primary CMA, there have been significant losses in the share of a few lower paying occupations requiring less education. At the same time, there have been moderate gains in many occupations which require higher education and provide higher incomes. This corroborates with the household income data presented previously which suggests that the area is in the early stages of gentrification, with new higher income households displacing lower income households.

Diverse Local Employment

The primary CMA has a diverse mix of residents employed across several different types of occupations. The following figure utilizes the data presented previously to illustrate how concentrated some of these jobs are in the area compared to the Houston MSA. Each bubble corresponds with an occupation. The size (area) of the bubble represents the proportionate number of employees in that occupation. The location of the bubble along the y-axis (vertical) represents the Location Quotient of that industry in the County, as compared with the Houston MSA. The location of the bubble along the x-axis (horizontal) represents the percentage that the industry has added or lost jobs from 2010 to 2016 (slightly different than the previous figure, which shows the change in an occupation’s share of the total over the same time).

Figure 12: Size, Growth, and Location Quotient of Private Industries in the Primary CMA, 2015



Source: CDS utilizing data from PCensus

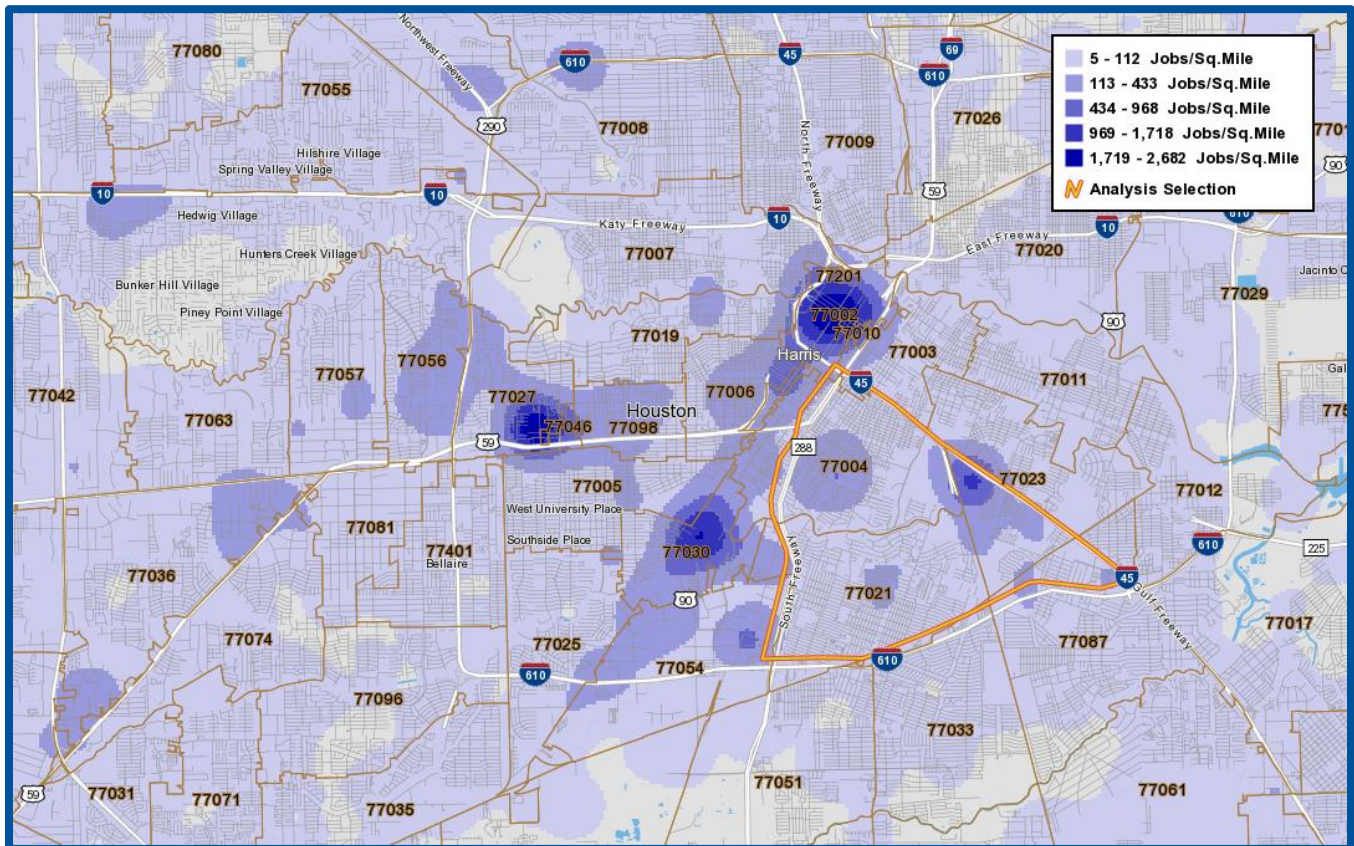
A word on Location Quotients (LQ): this number compares the relative concentration of an occupation in a local economy with the average concentration seen at a higher level—in this case, the Houston MSA. For example, the Personal Care/Service occupation in the primary CMA has an LQ of roughly 1.8, indicating that the local economy

has 80% more employed residents in that occupation per capita than the Houston MSA as a whole. An LQ of 1.0 indicates parity, and an LQ below 1.0 indicates a below average proportion of jobs. A high location quotient in a specific industry may translate into a competitive advantage in that industry for the local economy. Economic development opportunities may exist for additional growth because of the presence of an existing skilled labor pool or other resources such as suppliers, facilities, or transportation hubs in the region. An LQ less than 1.0 may indicate an opportunity to develop businesses in the area to better meet local demand. Combining all of this data into one chart—size of local industries, growth of local industries, and the Location Quotient—makes it easier to assess the health and direction of the local economy. This chart demonstrates that the primary CMA is not overly dependent on any one industry and has multiple industries which are strong and growing.

Work Destination Analysis

According to data from the Longitudinal Employer-Household Dynamic (LEHD), of the workers who live in the primary CMA, roughly 20% work in three nearby zip codes: 77002 – Downtown (8.8%), 77030 – Medical Center (5.7%), and 77027 – Galleria/Uptown area (5.4%). In addition, of the workers who live in the primary CMA, 6.4% work within the boundaries of the primary CMA. The three largest concentrations of jobs within the primary CMA (as displayed on the following figure) are the UH campus, the TSU campus, and the TAS Energy manufacturing facility located along Cullen Blvd south of Griggs.

Figure 13: Where Residents in the Primary CMA Work

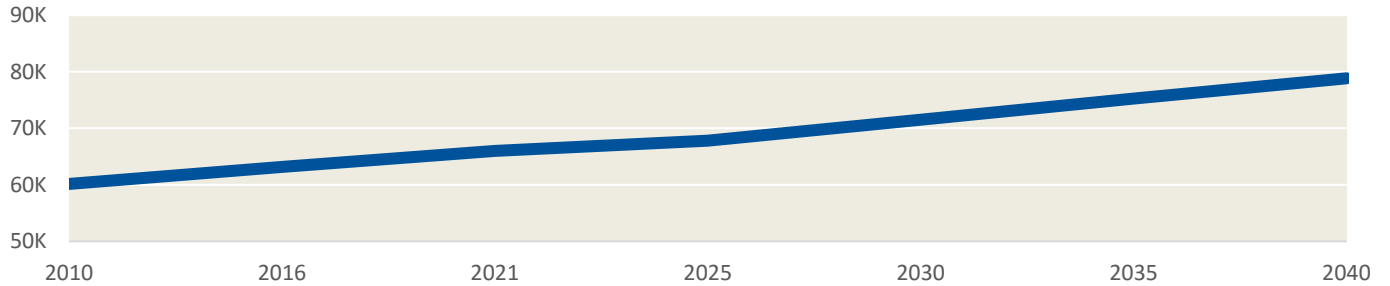


Source: US Census LEHD 2014, CDS Community Development Strategies

Population Projections

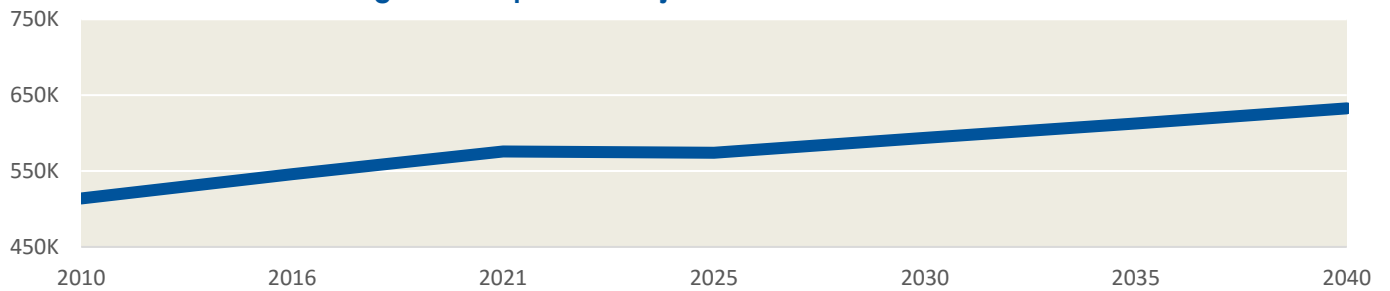
Short term, demographic forecasts for the CMAs were determined by utilizing PCensus data, which uses a formula to project future numbers based on existing Census data trends. CDS also provides another source for demographic projections in the CMA, with 5 year projections extending from 2025 to 2040. These estimates are analyzed by Traffic Area Zones (TAZ). The TAZ boundaries associated with the primary and rental CMAs lined up perfectly. The TAZ boundaries associated with the single family CMA were mostly lined up, except for a few TAZ geographies along the southern edge.

Figure 14: Population Projections for the Primary CMA



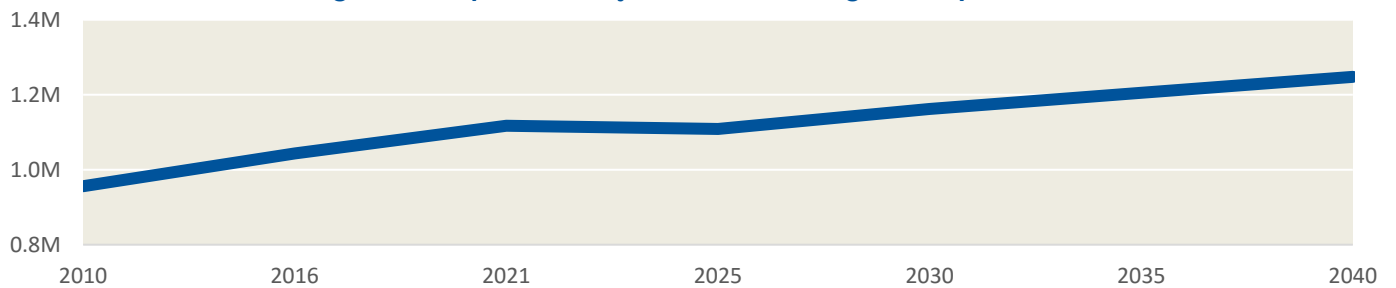
Source: US Census, American Community Survey, PCensus, H-GAC TAZ Forecast geography, CDS Community Development Strategy 2016 Forecast

Figure 15: Population Projections for the Rental CMA



Source: US Census, American Community Survey, PCensus, H-GAC TAZ Forecast geography, CDS Community Development Strategy 2016 Forecast

Figure 16: Population Projections for the Single Family CMA



Source: US Census, American Community Survey, PCensus, H-GAC TAZ Forecast geography, CDS Community Development Strategy 2016 Forecast

As the charts show, positive growth is expected for all CMAs from 2016 to 2014. The primary CMA is expected to add 2,839 residents over the next 5 years from 2016 to 2021. Utilizing the current persons per household for the primary CMA, this would result in an estimated 1,109 households. The rental CMA is expected to add 29,984

residents and 9,831 households. The single family CMA is expected to add 73,847 residents and 24,372 households.

These numbers should be viewed as conservative estimates, particularly for the primary CMA. The annual average growth rate for the estimate from 2016 to 2021 for each CMA is below the rate historically experienced by the Houston MSA. In addition, because this short term projection is based on near-term trends, the primary CMA has been calculated with lower growth. However, given how fast other inner-loop areas of Houston have changed and grown when they were targeted for redevelopment, the same process could occur for Southeast Houston. Indications are that this is beginning to happen, though Houston’s short term economic situation may delay this process a bit compared to pre-2015 activity.

Table 13: Short Term Population Projections based on US Census Near-Term Trends

	2010	2016	2021	Growth 16-21	AAGR *
Primary CMA Population	60,152	63,161	66,000	2,839	0.9%
Rental CMA Population	513,845	545,866	575,850	29,984	1.1%
Single Family CMA Population	955,933	1,043,267	1,117,114	73,847	1.4%

Source: US Census, American Community Survey, PCensus

*AAGR = Annual Average Growth Rate $((FV/PV)^{(1/n)} - 1)$

Table 14: Long Term Population Projections based on CDS TAZ Level Forecasts

H-GAC Forecasts	2025	2030	2035	2040
Primary CMA Population	67,817	71,521	75,235	78,833
Rental CMA Population	574,132	593,778	612,655	632,607
Single Family CMA Population	1,108,617	1,162,025	1,205,270	1,247,652

Source: H-GAC TAZ Forecast geography, CDS Community Development Strategies 2016 Forecast

The longer term projections for the CMAs suggest that primary CMA is expected to add 12,833 residents from 2021 to 2040. Again, utilizing the current persons per household for the primary CMA, this would result in an estimated 5,013 households. The rental CMA is expected to add 56,757 residents and 18,609 households. The single family CMA is expected to add 130,538 residents and 43,082 households.

As with the short term projections, these longer term projections are conservative, particularly for the primary CMA. Given how much land in vacant and developable in Southeast Houston, and given the changing preferences in the Houston area for denser development (especially so close to Downtown and other inner-loop destinations), a considerably larger number of people and households could be added.

HOUSING MARKET TRENDS – FOR-SALE UNITS

As presented previously, single family detached units make up the majority of all housing types in the area, accounting for 53% of all units in the primary CMA, and 67% in the single family CMA. These homes vary in size and price from older, smaller tract homes in working class neighborhoods to larger and more expensive suburban homes located in deed restricted communities. This section examines the latest market trends for single family homes in the area, looking specifically at local real estate resale statistics and lot activity.

Figure 17: Images of Single Family Detached Homes Under \$250K Currently Listed in the Primary CMA



Source: Multiple Listing Service, CDS Community Development Strategies

Existing Single Family Detached For-Sale Home Market

The data which follows in this section focuses on the \$100K-\$250K price range for single family detached homes. Below this price range, homes are often sold as investments with needed repairs (that usually require a significant amount of cash-on-hand to make livable) or as essentially raw lots with demolition anticipated. Above this price range, homes are typically beyond the reach of lower income buyers. The intent in focusing on the \$100K-\$250K price range was to provide relevant data to the MRA and to homebuilders who will be partnering with the MRA

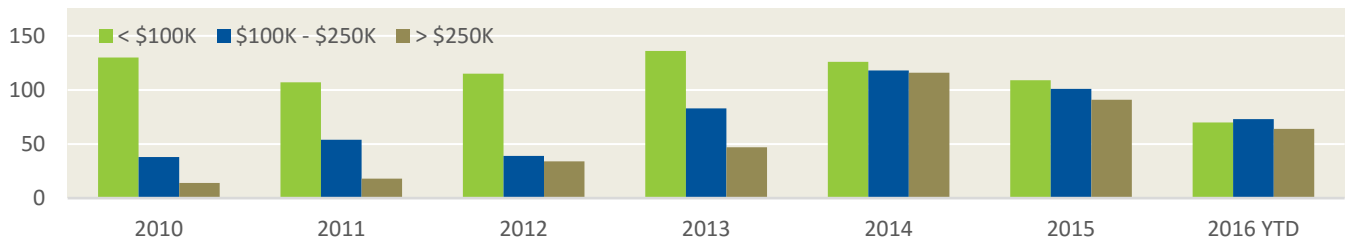
to build on their lots. The following table displays home sales in four price ranges from 2010 to 2016 year to date (YTD). The four price ranges are < \$100K, \$100K-\$250K, > \$250K, and All Prices. The figures which follows the table graphically displays the data.

Table 15: Primary and Single Family CMA Detached Sales Volume by Price Range, 2010-2016

Year	< \$100K		\$100K - \$250K		> \$250K		All Prices	
	#	%	#	%	#	%	#	%
Primary CMA								
2010	130	71%	38	21%	14	8%	182	100%
2011	107	60%	54	30%	18	10%	179	100%
2012	115	61%	39	21%	34	18%	188	100%
2013	136	51%	83	31%	47	18%	266	100%
2014	126	35%	118	33%	116	32%	360	100%
2015	109	36%	101	34%	91	30%	301	100%
2016 YTD	70	34%	73	35%	64	31%	207	100%
Single Family CMA								
2010	1,934	39%	2,622	53%	391	8%	4,947	100%
2011	2,178	42%	2,592	50%	423	8%	5,193	100%
2012	2,201	39%	3,004	53%	505	9%	5,710	100%
2013	1,925	30%	3,703	58%	809	13%	6,437	100%
2014	1,590	24%	3,928	58%	1,246	18%	6,764	100%
2015	1,225	19%	3,902	59%	1,486	22%	6,613	100%
2016 YTD	750	16%	2,797	59%	1,201	25%	4,748	100%

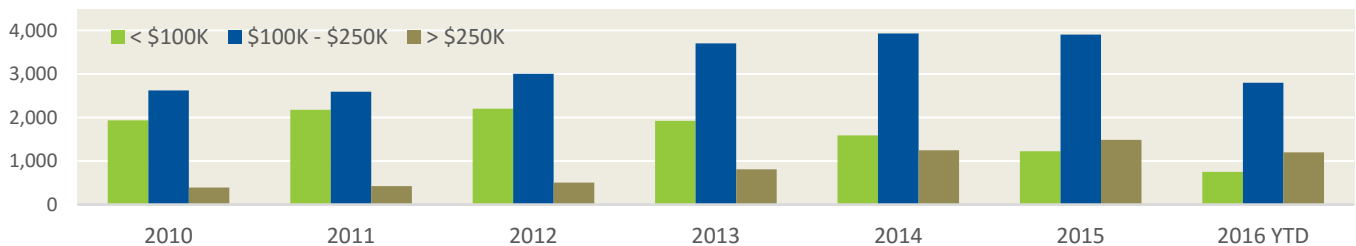
Source: Multiple Listing Service, CDS Community Development Strategies, 2016 YTD includes data to September

Figure 18: Primary CMA Detached Sales Volume by Price Range, 2010-2016



Source: Multiple Listing Service, CDS Community Development Strategies

Figure 19: Single Family CMA Detached Sales Volume by Price Range, 2010-2016



Source: Multiple Listing Service, CDS Community Development Strategies

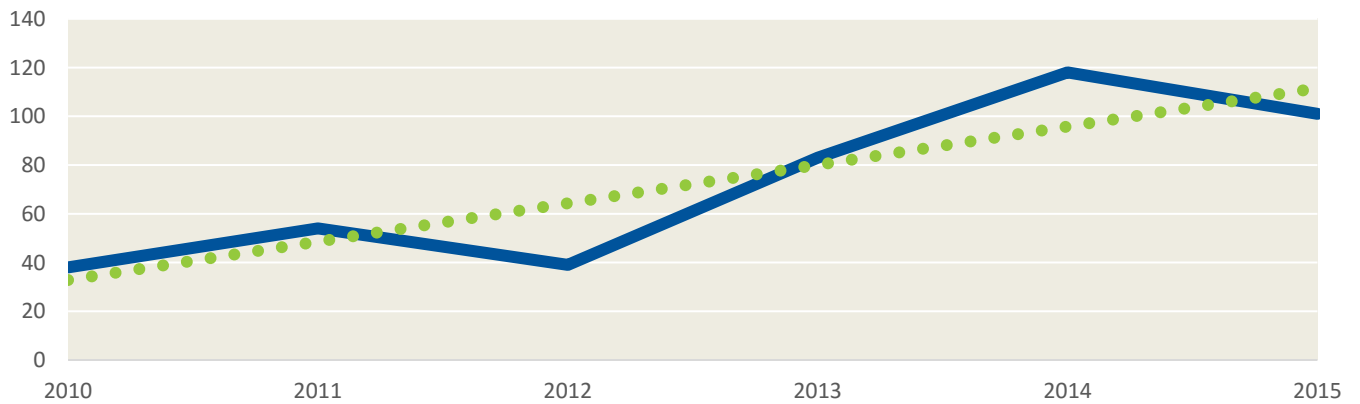
As seen in the previous table and charts, the sales that took place in the primary CMA from 2010 to 2012 were heavily weighted towards the < \$100K price range. This began to change in 2013. Since 2014, the sales have been more evenly split between all price ranges. And, as noted previously, the vast majority of the homes sold < \$100K currently are “fixer-uppers,” requiring a significant investment. For the single family CMA, the < \$100K has seen a large decline in the annual volume of sales while the higher price ranges have seen a sizable increase.

The following sections depict various key market indicators for single family detached home sales in the \$100K to \$250K price range for the primary and single family CMAs. For more detailed data in table format, see the appendix.

Sales Volume Trends - \$100K to \$250K Price Range

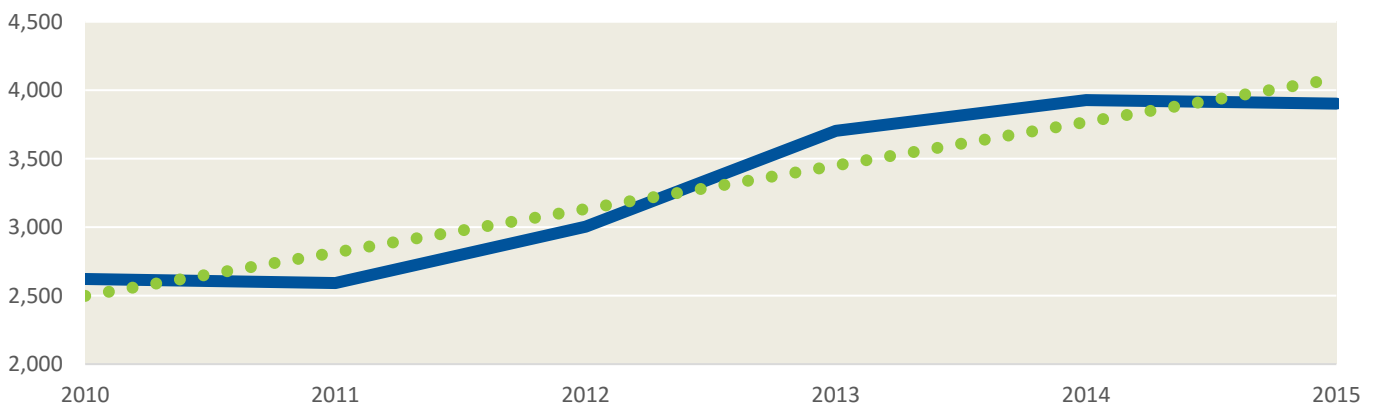
The following charts depict home sales volume trends in the \$100K-\$250K price range in the primary and single family CMA from 2010 to 2015. Volume in this price range has picked up significantly in all geographies following post-recession lows. Volume was down slightly in 2015 for the primary CMA but activity has remained level in the single family CMA. Partial figures for 2016 (not depicted) indicate volume will be level for the primary CMA and drop slightly for the single family CMA.

Figure 20: \$100K to \$250K Detached Home Sales Volume in the Primary CMA, 2010-2015



Source: Multiple Listing Service, CDS Community Development Strategies

Figure 21: \$100K to \$250K Detached Home Sales Volume in the Single Family CMA, 2010-2015



Source: Multiple Listing Service, CDS Community Development Strategies

Median Sale Price - \$100K to \$250K Price Range

The following charts display the median sale price for homes in the \$100K-\$250K price range in the primary and single family CMA from 2010 to 2016 YTD. The median in the primary CMA has fluctuated, but with a strong trend upwards over the last several years—seeing a \$25K+ increase from the low \$130K’s in 2011 to roughly \$160K in 2016. Median prices in the single family CMA have seen a more consistent increase, but a smaller gain—adding approximately \$15K from 2010 to 2016.

Figure 22: \$100K to \$250K Detached Median Sale Price in the Primary CMA, 2010 to 2016 YTD

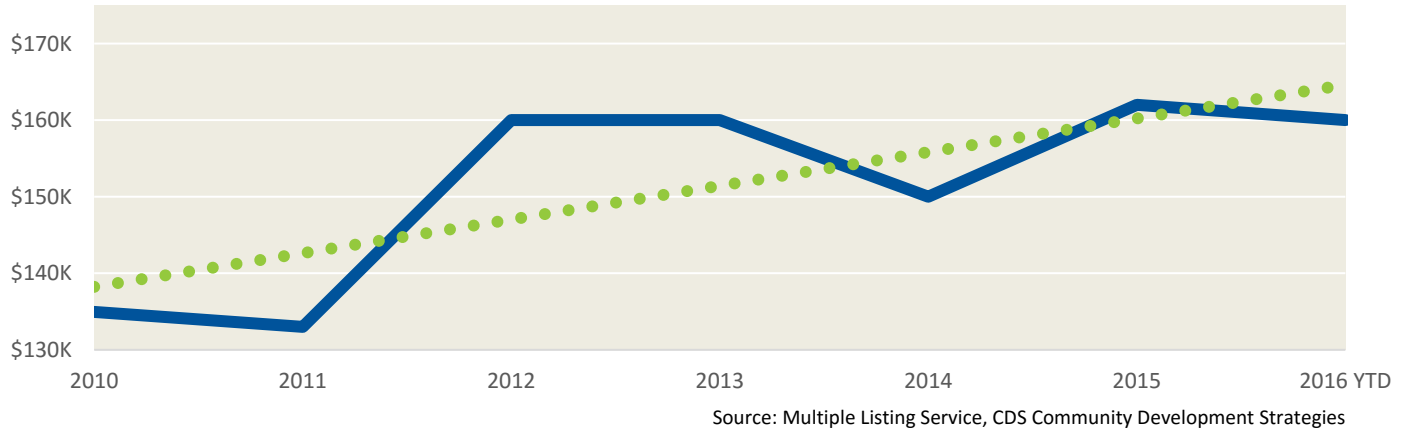
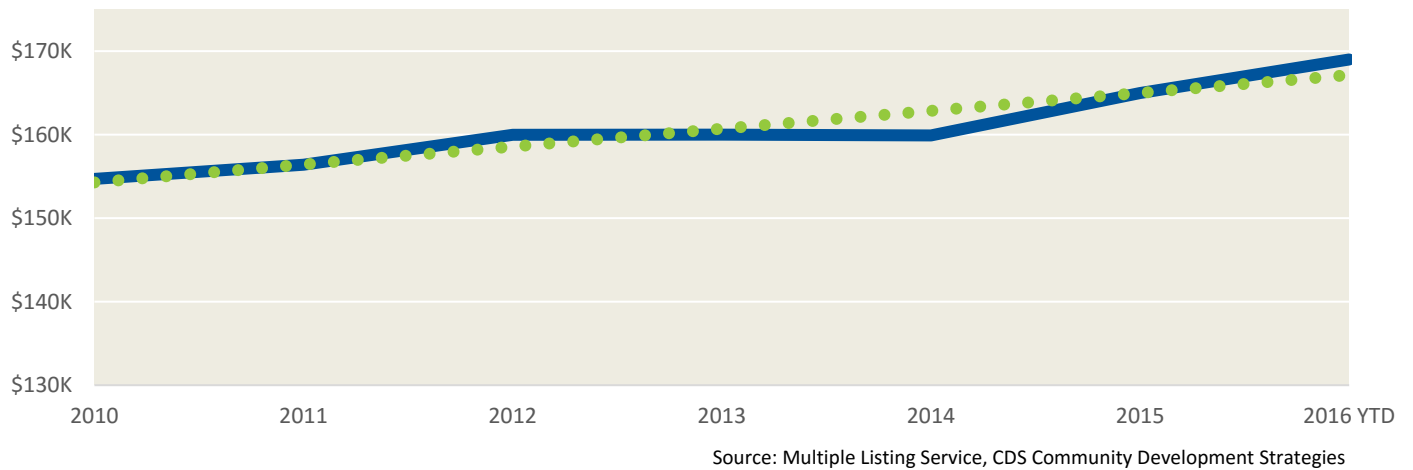


Figure 23: \$100K to \$250K Detached Median Sale Price in the Single Family CMA, 2010 to 2016 YTD

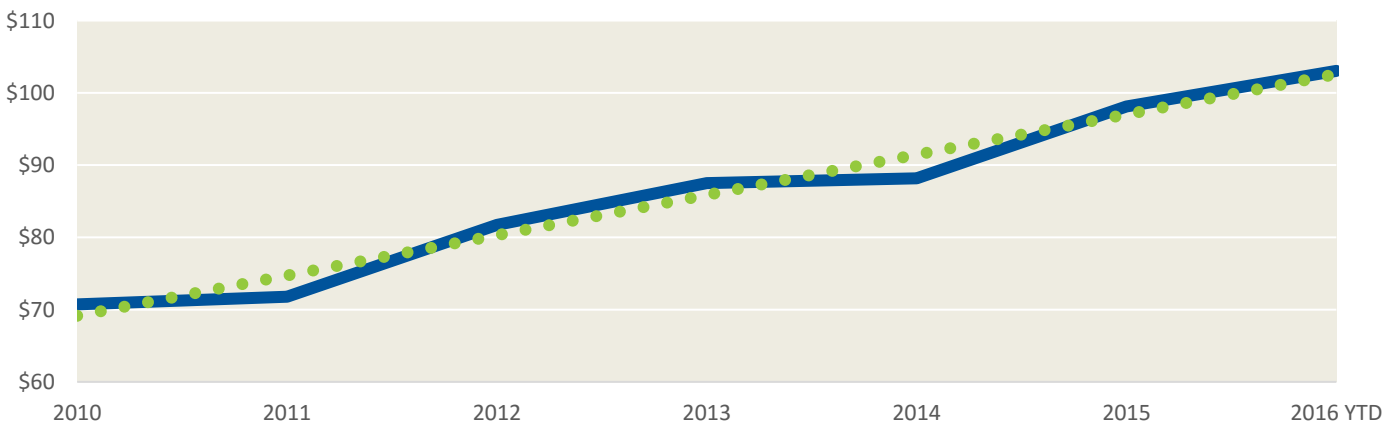


Median Sale Price per Square Foot - \$100K to \$250K Price Range

The following figures display the median sale price per square foot (SP/SqFt) for homes in the \$100K-\$250K price range in the primary and single family CMA from 2010 to 2016 YTD. The SP/SqFt is a calculation of the value of each square foot of area—dividing the total sale price by the total square feet in the home. This calculation is more useful when comparing similar properties, but is still helpful as a tool to examine the overall direction of a market.

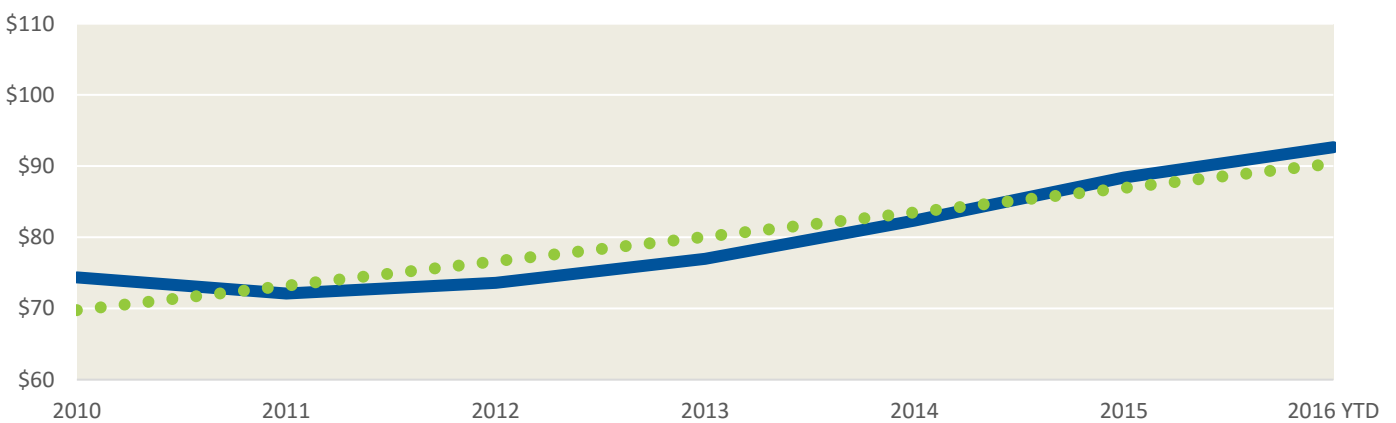
The median SP/SqFt is trending upward for both CMA. Currently, the single family CMA has a median of \$93/SqFt. This is up from \$74/SqFt in 2010, representing a 25% increase. For the primary CMA, the median is currently \$103/SqFt. This is up from \$71/SqFt in 2010, which is a 46% increase—nearly double the rate of increase experienced by the single family CMA.

Figure 24: \$100K to \$250K Detached Median Sale Price per SqFt in the Primary CMA, 2010 to 2016 YTD



Source: Multiple Listing Service, CDS Community Development Strategies

Figure 25: \$100K to \$250K Detached Median Sale Price per SqFt in the Single Family CMA, 2010 to 2016 YTD



Source: Multiple Listing Service, CDS Community Development Strategies

Median Sale Price to List Price Ratio - \$100K to \$250K Price Range

The following figures display the median sale price to list price (SP/LP) ratio for homes in the \$100K-\$250K price range in the primary and single family CMA from 2010 to 2016 YTD. The final sale price (what a buyer pays for the home) divided by the last list price expressed as a percentage. If it's above 100%, the home sold for more than the list price. If it's less than 100%, the home sold for less than the list price. SP/LP ratios indicate the power of negotiation for a specific area. It is also an indication of the strength of a current market.

The SP/LP ratio for the primary CMA has fluctuated between 95% and 99%. Currently, the ratio is around 98%. For the single family CMA, the ratio has been mostly above 98% and is currently at 100%. For comparison purposes, Texas has only recently risen to 95% for a statewide average.

Figure 26: \$100K to \$250K Detached Median SP to LP Ratio in the Primary CMA, 2010 to 2016 YTD

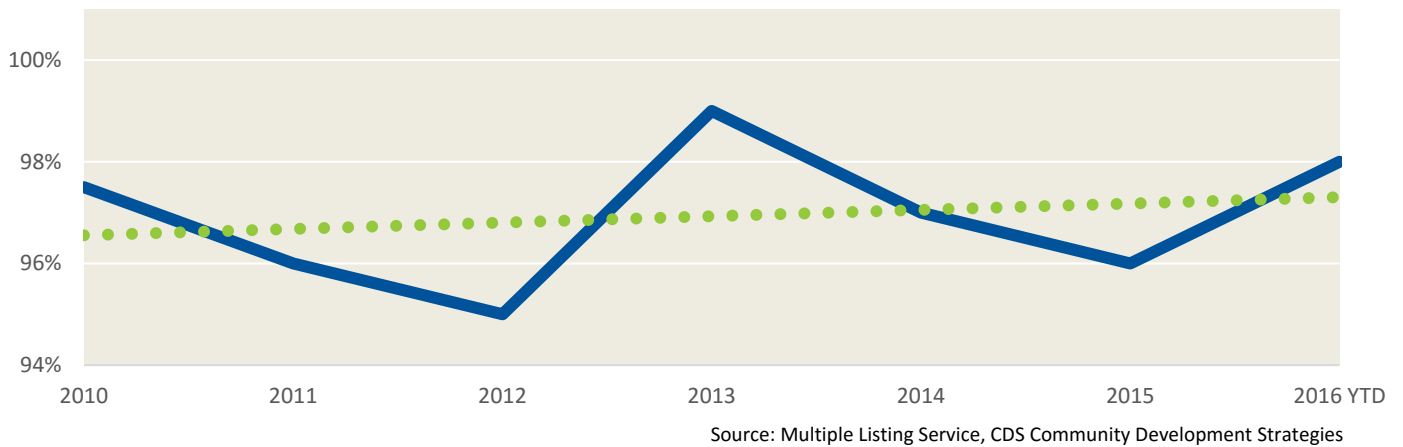
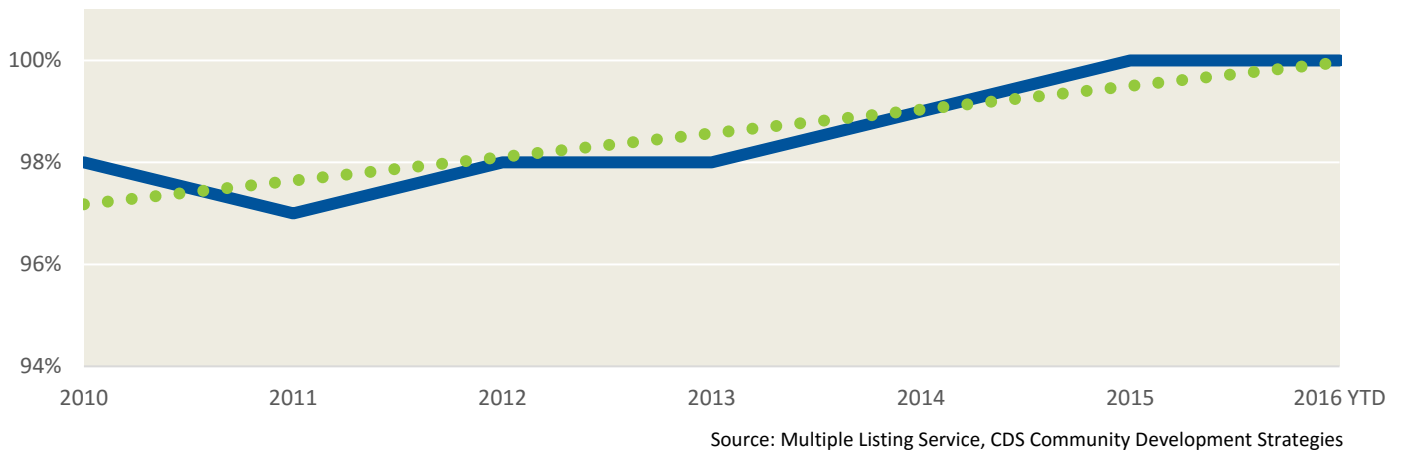


Figure 27: \$100K to \$250K Detached Median SP to LP Ratio in the Single Family CMA, 2010 to 2016 YTD



Median Days on Market - \$100K to \$250K Price Range

The following three charts display the median days on market (DOM) for homes in the \$100K-\$250K price range in the primary and single family CMA from 2010 to 2016 YTD. The DOM is defined as the total number of days the listing is on the active market before it is sold. By looking at the DOM for one year alone, it can hard to draw conclusions. The DOM can also vary from place to place due to regulation and procedural differences, not just because of market conditions. This is where examining the DOM over time can provide important insight.

In both CMAs the DOM has dropped from 2011-2012 highs at around 70-80 (2-3 months) to a DOM currently at 19 days for the primary CMA and 12 days for the single family CMA. Generally, a DOM of 3 months or less is considered a seller’s market. These numbers strongly suggest that the demand for homes in the \$100K-\$250K price range is very strong.

Figure 28: \$100K to \$250K Detached Median Days on Market in the Primary CMA, 2010 to 2016 YTD

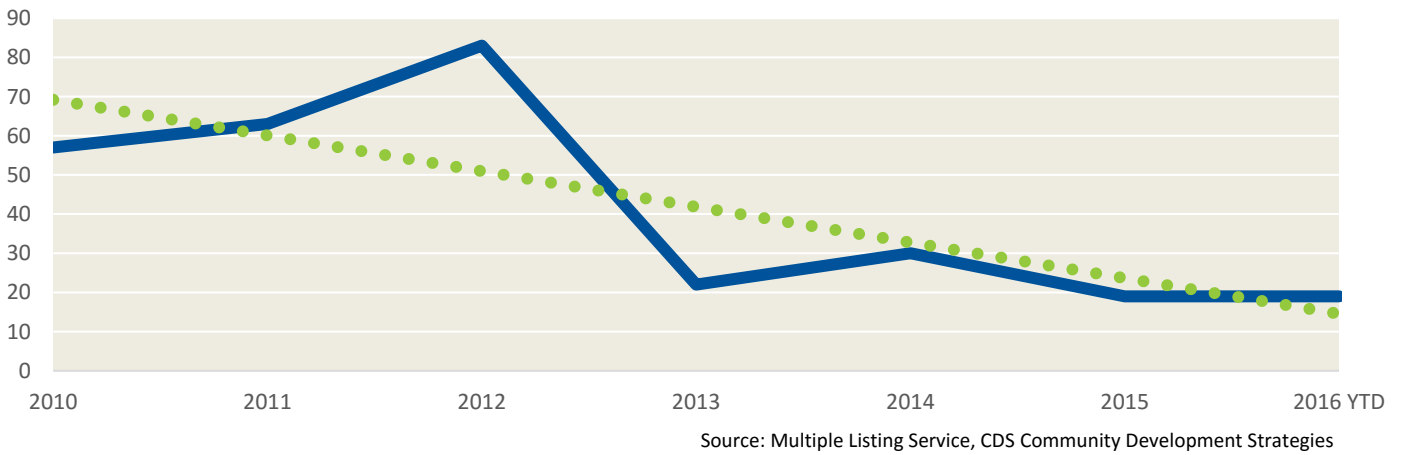
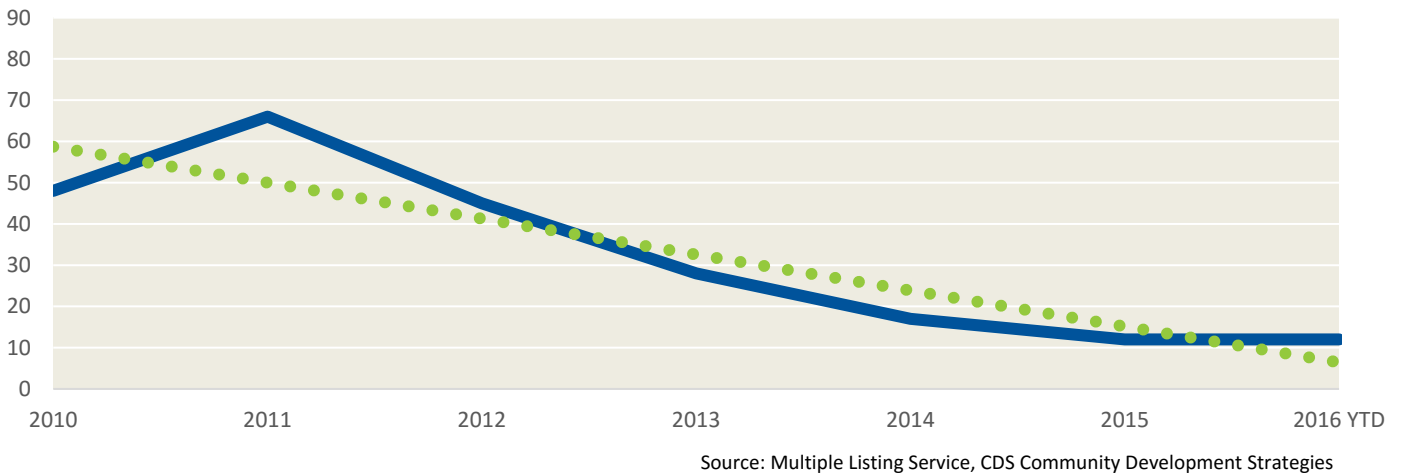


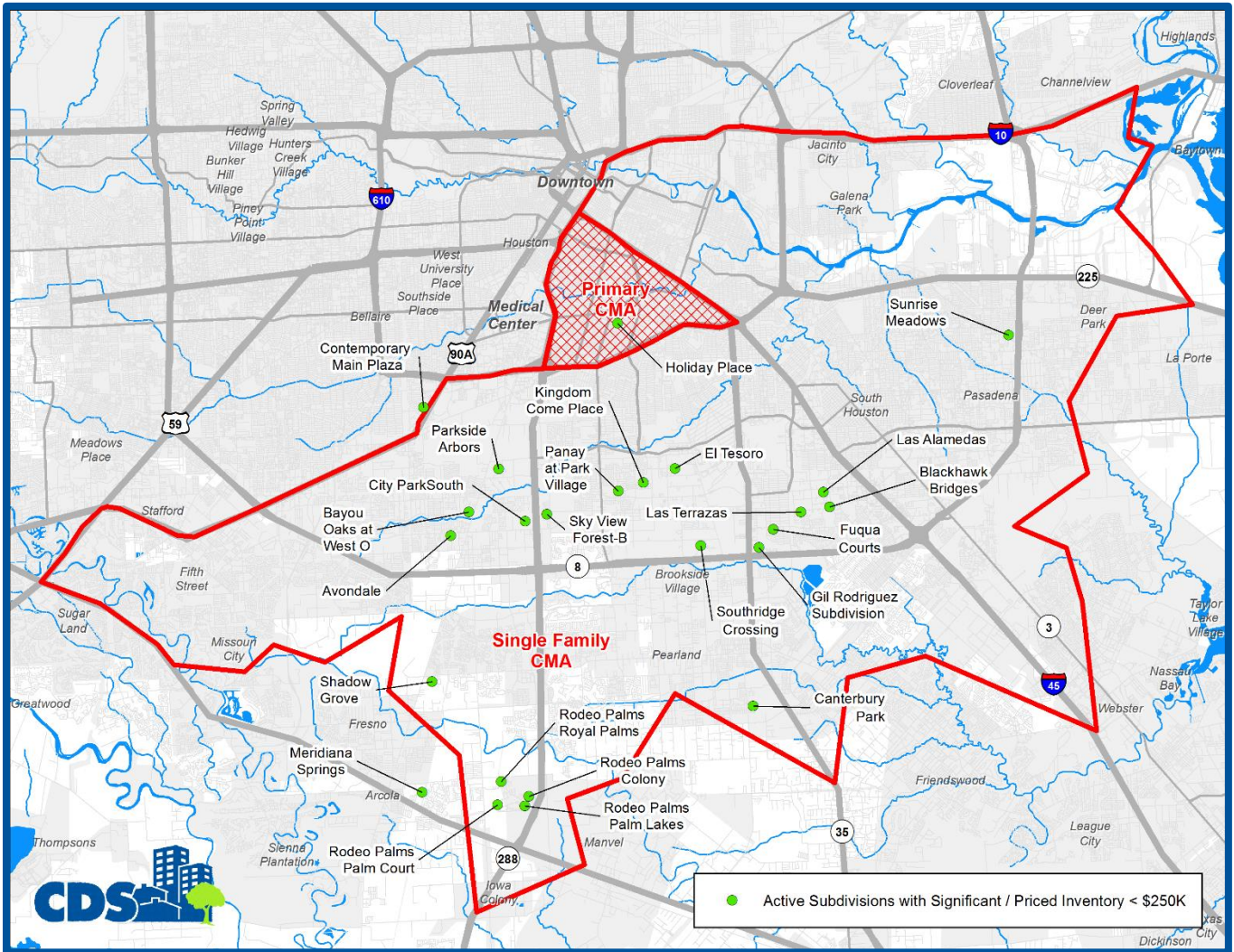
Figure 29: \$100K to \$250K Detached Median Days on Market in the Single Family CMA, 2010 to 2016 YTD



New Single Family Detached For-Sale Home Market

In addition to the existing home market there is a significant amount of new home activity in the single family CMA. A portion of this activity is occurring in subdivisions with homes priced under \$250K, and has been compiled in the following figure and table. Note, the subdivisions accounted for include those which are active and have a large inventory of total or remaining lots, and have announced home pricing that falls under \$250K.

Figure 30: Active Subdivisions in the Single Family CMA with Large & Priced Inventories < \$250K, 2Q 2016



Source: CDS housing inventory archives

Table 16: Active Subdivisions in the Single Family CMA with Significant / Priced Inventory < \$250K, 2Q 2016

Subdivision	Price Range	An. Closings *	Occupied	Other **	Under Constr.	VDL	Planned	Total
Avondale	\$142K-\$165K	16	78	0	0	2	74	154
Bayou Oaks at West O	\$120K-\$179K	0	211	0	0	0	94	305
City Park South (City Oaks)	\$187K-\$264K	0	0	0	3	153	130	286
Contemporary Main Plaza	\$190K-\$215K	40	91	8	25	168	0	292
Parkside/Arbors	\$134K-\$181K	1	100	0	1	88	0	189

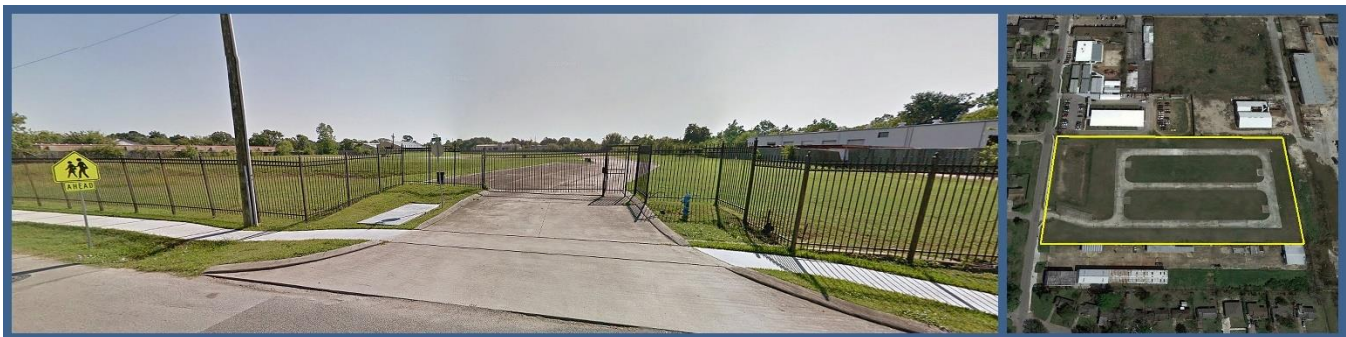
SOUTHEAST HOUSTON HOUSING MARKET NEEDS ASSESSMENT

Subdivision	Price Range	An. Closings *	Occupied	Other **	Under Constr.	VDL	Planned	Total
Blackhawk/Bridges	\$180K-\$213K	51	89	7	7	0	0	103
El Tesoro	\$130K-\$190K	0	5	0	0	0	113	118
Fuqua Courts	\$140K-\$179K	0	5	0	0	12	0	17
Gil Rodriguez Subdivision	\$120K-\$150K	3	3	0	0	0	25	28
Holiday Place	\$180K-\$200K	0	0	0	0	120	0	120
Kingdom Come Place	\$110K-\$200K	19	160	0	10	21	0	191
Las Alamedas	\$200K-\$225K	2	42	0	2	15	0	59
Las Terrazas	\$225K-\$250K	0	17	0	2	31	0	50
Panay at Park Village	\$117K-\$169K	14	90	2	7	23	0	122
Sky View Forest-B	\$133K-\$165K	8	437	0	0	1	118	556
Southridge Crossing	\$145K-\$221K	109	284	2	45	7	197	535
Sunrise Meadows/Pasadena	\$108K-\$120K	0	29	0	0	21	0	50
Canterbury Park	\$208K-\$253K	52	242	7	11	71	0	331
Meridiana/Springs	\$226K-\$279K	0	0	6	5	78	0	89
Rodeo Palms/Colony	\$180K-\$273K	25	289	7	34	23	0	353
Rodeo Palms/Palm Court	\$138K-\$279K	35	166	30	28	8	0	232
Rodeo Palms/Palm Lakes	\$162K-\$269K	2	92	2	1	13	11	119
Rodeo Palms/Royal Palms	\$200K-\$260K	37	56	3	5	27	57	148
Shadow Grove	\$211K-\$300K	69	73	16	18	81	189	377
Total	-	483	2,559	90	204	963	1,008	4,824

Source: CDS housing inventory archives; Notes: * Annual Closings are from 3Q2015 - 2Q2016, ** Other = vacant and model homes

As of 2Q 2016, there have been 483 annual home closings in these subdivisions. In addition, there are 963 vacant developed lots and 1,008 more lots planned. At a rate of 500 home closings annually, this inventory of vacant and future lots would provide roughly 4 years of new home activity under \$250K in the single family CMA. Within the primary CMA, only one subdivision was identified. Holiday Place, located near the southeast corner of Griggs and Calhoun. According to the records, this subdivision was developed in 2007 and has 120 vacant developed lots, but as of yet no new home construction activity has taken place.

Figure 31: Holiday Place Subdivision in the Primary CMA



Source: Google Earth and CDS Community Development Strategies

Existing and New Townhome/Condo For-Sale Market

There are single family attached homes in the primary CMA where the individual units are under private ownership. These range from two unit structures to many-unit structures. A rarer product is a single family detached structure which shares the lot it is on with another unit. Both of these products are called by different names, but they generally compete for the same home buyer profile. For the purposes of this study, these structures are placed into a group called “townhome/condo” (condo is short for condominium).

Given the ambiguity surrounding the classification of these structures, it is difficult to estimate the share of the housing stock that falls into this group. However, according to the Census related figures presented previously, 1-unit attached and 2 unit structures make up 7.8% of the housing stock in 2016. This is down from 9.4 in 2000.

Figure 32: Images of Townhomes/Condos Recently Sold and Listed Under \$250K in the Primary CMA



Source: Multiple Listing Service, CDS Community Development Strategies

Important points to note:

- Because townhomes/condos are primarily an Inner Loop product, the market trend analysis in this section is limited to the primary CMA.
- Townhome/condo residential developments, such as those depicted in the previous figure, are typically more limited in scale—especially in comparison to the relatively large single family detached suburban projects identified in the single family CMA and presented in the previous section. These projects usually occur on smaller, infill lots, amidst denser residential and commercial development.

- Because of the smaller scale of these projects, developers and homebuilders do not typically market these developments as long or as widely as compared to larger single family detached projects. As a result, related data can be harder to find. Fortunately, many of the new construction sales for condos/townhomes are listed in the MLS (not usually the case for new single family detached spec homes). Therefore, the market trend data in this section includes both existing and new townhome/condo sales.

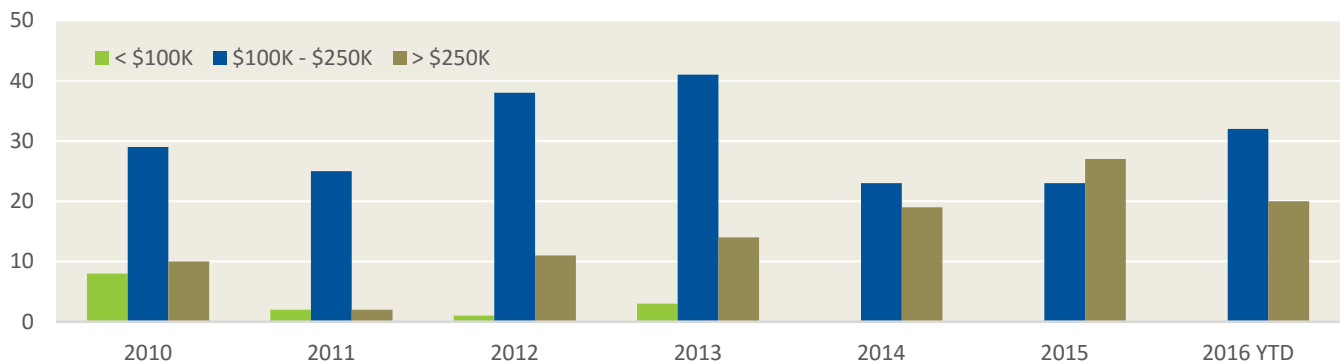
The following table displays townhome/condo sales in four price ranges from 2010 to 2016 year to date (YTD). The four price ranges are < \$100K, \$100K-\$250K, > \$250K, and All Prices. The figure which follows the table graphically displays the data. As the data indicates, the number of sales under \$100K has been zero for the last three years. The number of sales in the \$100k to \$250k price range peaked in 2013, then fell, and is now showing growth again. The number of sales above \$250K has continued to grow from 2012 to 2015. Total volume for all townhome/condo sales in the primary CMA has remained relatively steady at around 50 units per year.

Table 17: Primary CMA Townhome/Condo Sales Volume by Price Range, 2010-2016

Year	< \$100K		\$100K - \$250K		> \$250K		All Prices	
	#	%	#	%	#	%	#	%
Primary CMA								
2010	8	17%	29	62%	10	21%	47	100%
2011	2	7%	25	86%	2	7%	29	100%
2012	1	2%	38	76%	11	22%	50	100%
2013	3	5%	41	71%	14	24%	58	100%
2014	0	0%	23	55%	19	45%	42	100%
2015	0	0%	23	46%	27	54%	50	100%
2016 YTD	0	0%	32	62%	20	38%	52	100%

Source: Multiple Listing Service, CDS Community Development Strategies, 2016 YTD includes data to September

Figure 33: Primary CMA Townhome/Condo Sales Volume by Price Range, 2010-2016



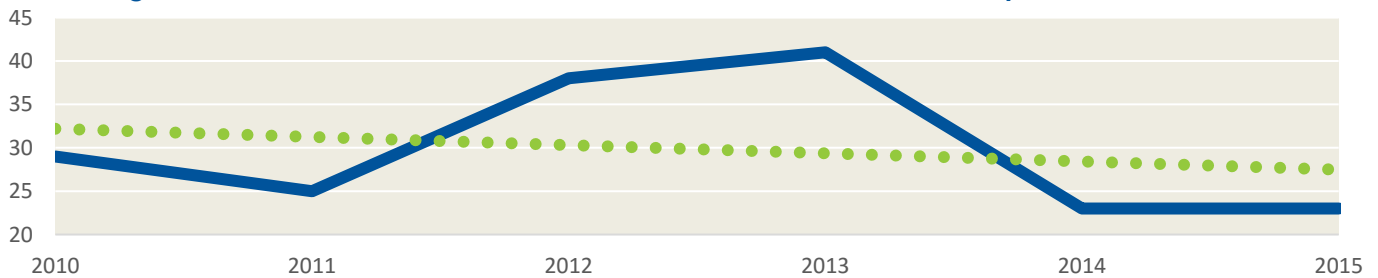
Source: Multiple Listing Service, CDS Community Development Strategies

Market Trends - \$100K to \$250K Price Range

The following figures depict various key market indicators for townhome/condo sales in the \$100K to \$250K price range for the primary CMA. For this product and within this price range, the market has been slightly volatile. This is as expected given the low sale volume, as irregular activity in any one year can skew the data. However, the data still points to growing unaffordability.

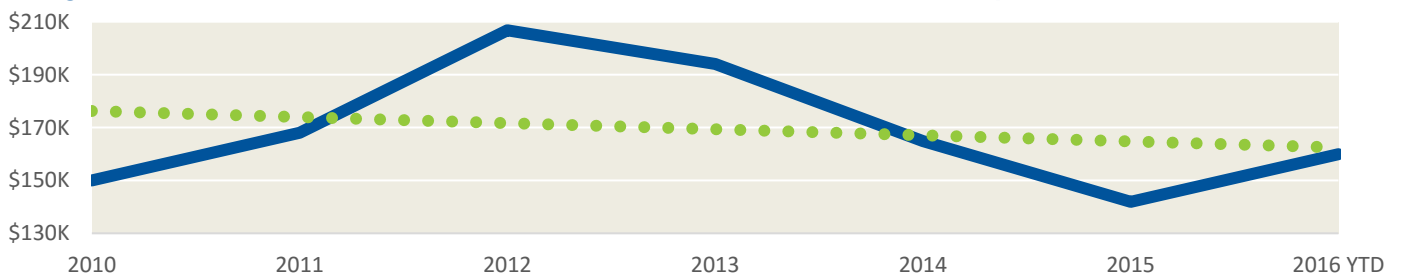
The overall sales volume in the price range is down. According to realtors and developers interviewed, this partly related to a lack of affordable land to build new units on. The median sale price peaked in 2012, trended downward to 2015, and has since moved back up. The sale price per square foot has seen a steady climb upwards since 2011. Currently, the median is \$117/SqFt. This is up from \$89/SqFt in 2010, representing a 32% increase. The median sale price to list price ratio has been at 100% for 3 of the last 4 years. The median days on market was down to 29 days in 2014, but is currently at 70. According to interviews, this may be due to the fact that several of the homes listed since that time have been pre-completion sales, which typically result in longer DOM versus units that are constructed, then listed, and ready to be viewed and sold immediately.

Figure 34: \$100K to \$250K Townhome/Condo Sales Volume in the Primary CMA, 2010-2015



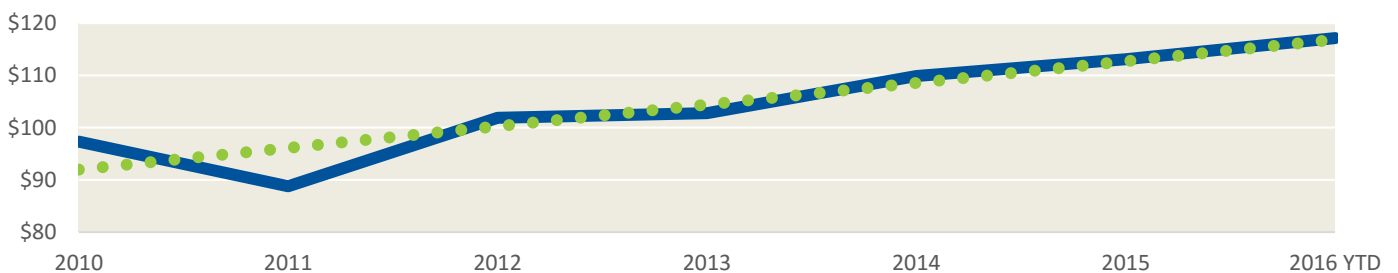
Source: Multiple Listing Service, CDS Community Development Strategies

Figure 35: \$100K to \$250K Townhome/Condo Median Sale Price in the Primary CMA, 2010 to 2016 YTD



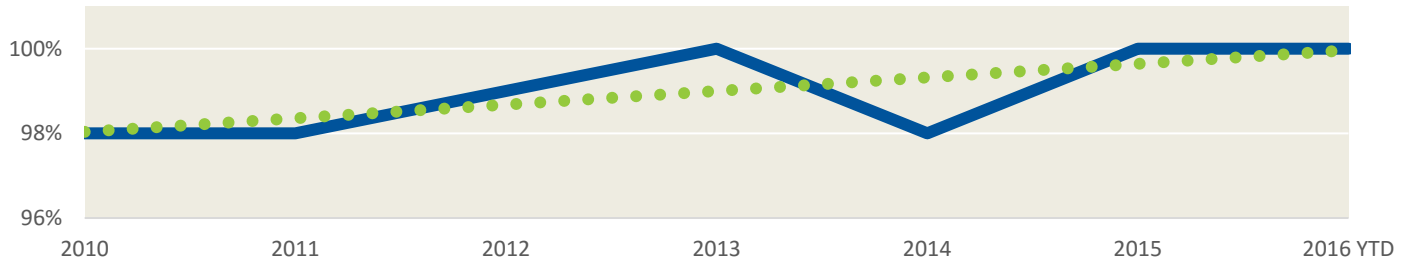
Source: Multiple Listing Service, CDS Community Development Strategies

Figure 36: \$100K to \$250K Townhome/Condo Median Sale Price per SqFt in the Primary CMA, 2010 to 2016 YTD



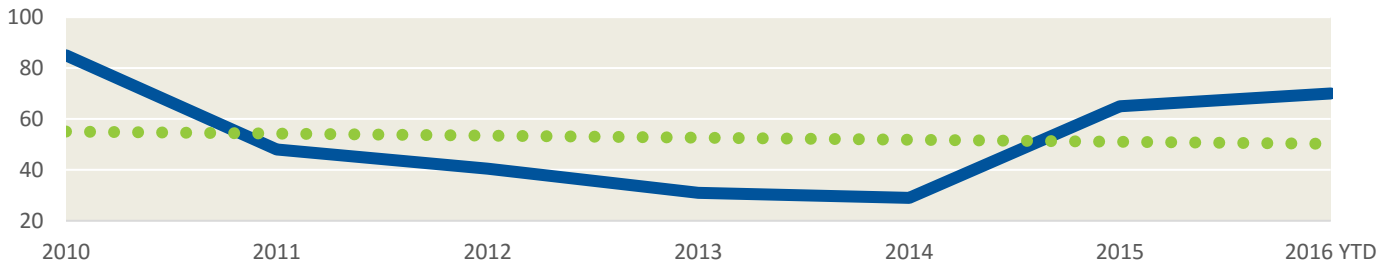
Source: Multiple Listing Service, CDS Community Development Strategies

Figure 37: \$100K to \$250K Townhome/Condo Median SP to LP Ratio in the Primary CMA, 2010 to 2016 YTD



Source: Multiple Listing Service, CDS Community Development Strategies

Figure 38: \$100K to \$250K Townhome/Condo Median Days on Market in the Primary CMA, 2010 to 2016 YTD



Source: Multiple Listing Service, CDS Community Development Strategies

HOUSING MARKET TRENDS – RENTAL UNITS

According to the Census related housing type estimates presented earlier in this report, there are currently 10,113 multifamily units in 3+ unit structures in the primary CMA, and 65,668 units of the same type in the rental CMA. Of these, 7,156 units have been identified in 115 complexes in the primary CMA, and 57,160 units have been identified in 493 complexes in the rental CMA. This section provides information on these units and complexes, which covers the vast majority of multifamily housing in the CMAs.

Figure 39: Images of Multifamily Complexes in the Primary CMA



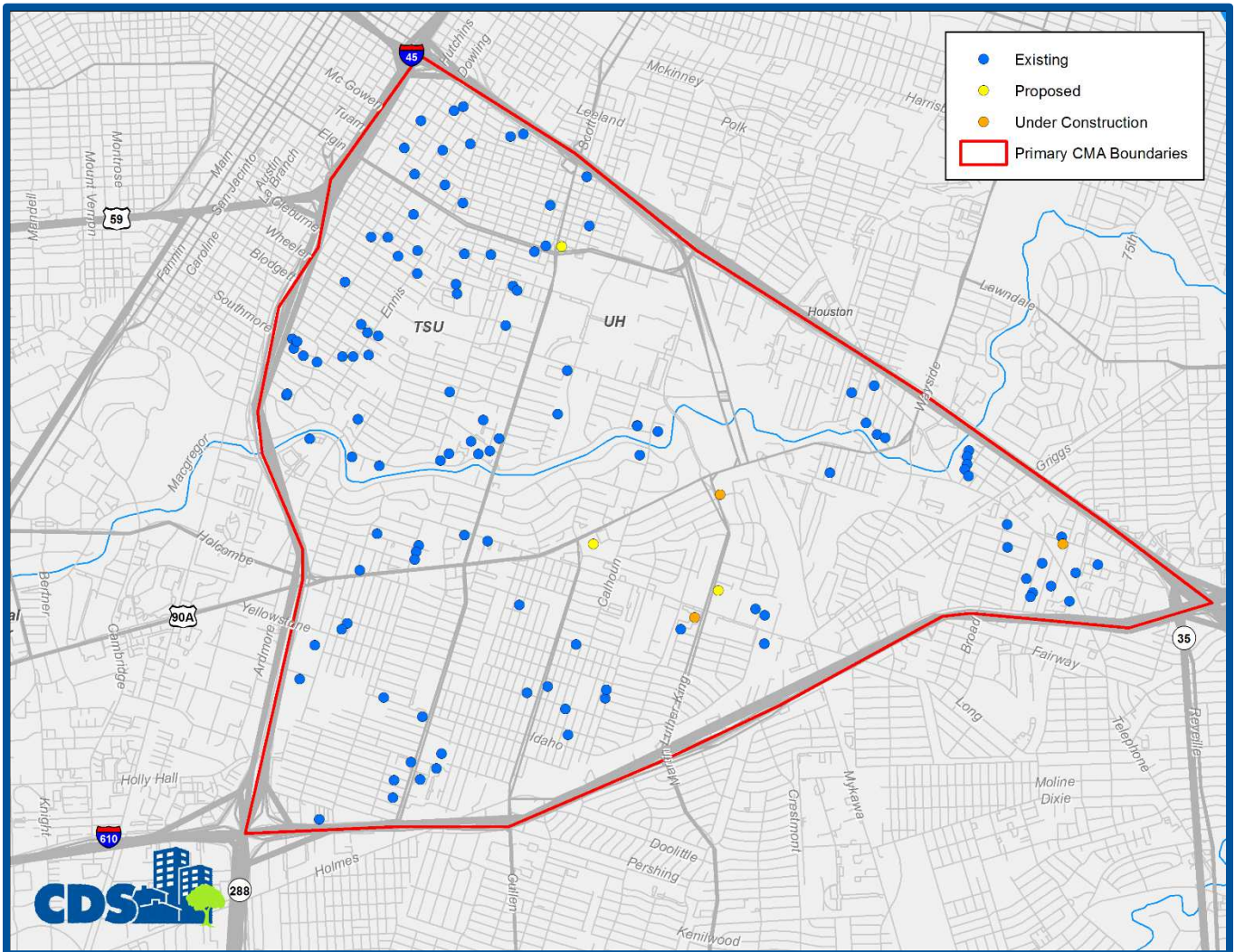
Source: Apartments.com, CoStar, Google Street View, CDS Community Development Strategies

Existing Multifamily Complexes

As previously stated there are 7,156 units in 115 complexes in the primary CMA, and 57,160 units in 493 complexes in the rental CMA. The majority of these complexes are low-rise and garden style apartment buildings spread throughout the CMAs. For the primary CMA, the median age of the existing complexes is in the late 1960's. While many of the complexes have been renovated since their initial construction, it is clear that the majority of the multifamily housing stock—like the single family housing stock—is older and in need of updates.

The following figure displays a map of the existing, under construction, and proposed complexes located inside the primary CMA.

Table 18: Multifamily Complexes in the Primary CMA



Source: CDS Community Development Strategies

Market Rate and Affordable Housing (Rent Restricted / Subsidized)

This study section refers to two general types of housing, market rate and affordable housing. Market rate housing refers to multifamily housing that was constructed with 100% private dollars. Affordable housing is a term which includes two broad types of housing, rent restricted and rent subsidized housing, as well as other types of housing including supportive housing, public housing, and others.

Like regular market rate housing, most of the affordable housing that is developed today is privately built and owned, either by non-profit organizations or private businesses and corporations. These organizations use a combination of private funding and public subsidies—often in the form of tax credits and/or special loans—to construct new apartments that are affordable for low and moderate income families. These apartments are typically regulated by state and/or Federal agencies that determine the rent amount and designate certain occupancy standards, including the eligible income ranges of renters.

Inventory of Units

The following two tables provide a detailed breakdown of the multifamily units located in identified complexes in the primary and rental CMA. These units are separated by the quality class (A to D), by the rent type (market rate, affordable, and mixed market rate/affordable), and by the market segment (all, senior, student housing). Also, in the second section of each table, the affordable housing units are broken out by rent restricted vs rent subsidized. Noteworthy observations include the following:

- Of all the units in the primary CMA, 12.6% are class A, 40.2% are class B, 45.8% are class C, and 1.4% are class D. This compares to rental CMA where 6.3% are class A, 40.2% are class B, 53.1% are class C, and 0.4% are class D. The growth of the class A market in the primary CMA is a relatively new phenomenon as developers have seen an opportunity related to the gentrification of many other parts of Inner Loop Houston.
- All student housing is market rate housing and is located exclusively in the primary CMA, as one would expect given the desire of students to locate near campus. This student housing is 35% class A and 64% class B.
- In the rental CMA, 2,714 units were identified as senior housing; 76% of these units were in affordable only complexes and 22% were in mixed market rate/affordable complexes. Only 2% were market rate. For the primary CMA, only 398 units were identified as senior housing, with 49 market rate and the rest affordable or mixed market rate/affordable.
- Affordable housing units make up 30%-40% of the total in the primary CMA and 21%-28% of the total in the rental CMA. There is a relatively even split between rent restricted and rent subsidized units.
- A word on mixed market rate/affordable complexes: the number of units in each complex dedicated to affordable housing is subject to change, therefore the share of affordable housing in the CMA is provided as a range.

Table 19: Inventory of Multifamily Units in the Primary CMA by Class

Category	A	B	C	D	Total
Total Units	902	2,877	3,279	98	7,156
Market Rate	902	1,246	1,997	98	4,243
All	462	412	1,956	98	2,928
Senior	0	24	25	0	49
Student Housing	440	810	16	0	1,266
Affordable	0	988	1,134	0	2,122
All	0	938	1,134	0	2,072
Senior	0	50	0	0	50
Market Rate/Affordable	0	643	148	0	791
All	0	440	52	0	492
Senior	0	203	96	0	299
Affordable	0	988	1,134	0	2,122
Rent Restricted	0	708	158	0	866
Rent Subsidized	0	280	976	0	1,256
Market Rate/Affordable	0	643	148	0	791
Rent Restricted	0	565	0	0	565
Rent Subsidized	0	78	148	0	226

Source: CoStar, CDS Community Development Strategies

Table 20: Inventory of Multifamily Units in the Rental CMA by Class

Category	A	B	C	D	Total
Total Units	3,616	22,962	30,346	236	57,160
Market Rate	2,166	12,761	24,559	236	39,722
All	2,166	12,761	24,877	236	40,040
Senior	0	24	25	0	49
Student Housing	440	810	16	0	1,266
Affordable	658	7,234	4,111	0	12,003
All	658	5,658	3,623	0	9,939
Senior	0	1,576	488	0	2,064
Market Rate/Affordable	352	2,133	1,317	0	3,802
All	352	1,628	1,221	0	3,201
Senior	0	505	96	0	601
Affordable	658	7,234	4,111	0	12,003
Rent Restricted	658	5,561	1,045	0	7,264
Rent Subsidized	0	1,673	3,066	0	4,739
Market Rate/Affordable	352	2,133	1,317	0	3,802
Rent Restricted	352	1,563	154	0	2,069
Rent Subsidized	0	570	1,163	0	1,733

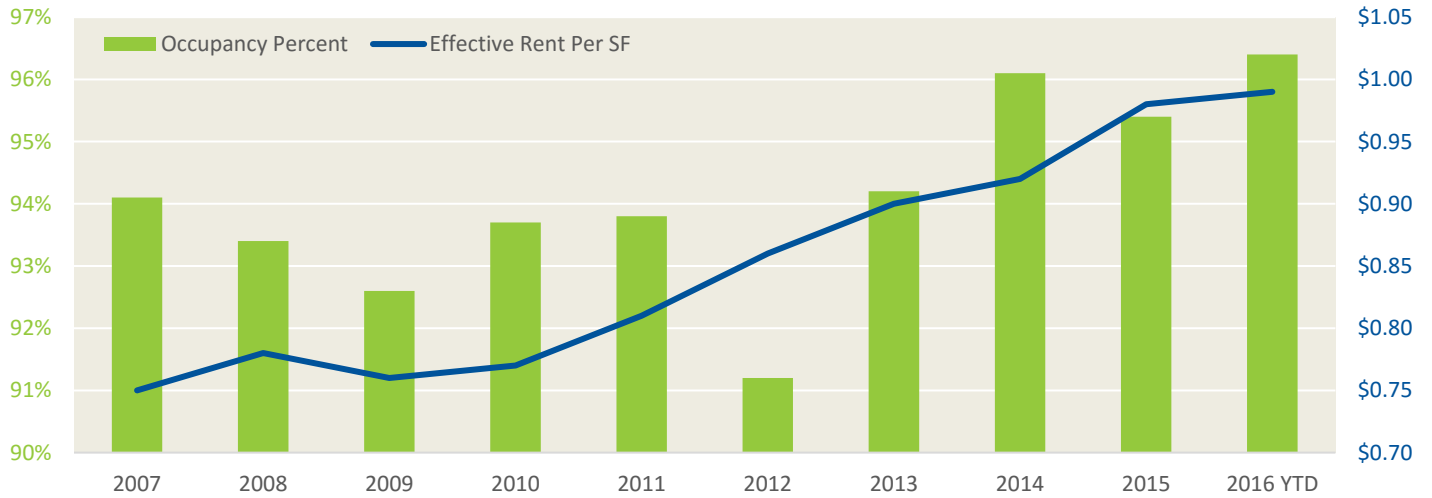
Source: CoStar, CDS Community Development Strategies

Current and Historical Occupancy and Pricing

The following figures provide a look occupancy and effective rent per square foot over a ten-year period in the primary and rental CMAs. The current occupancy of all units in the primary CMA is currently estimated at 96.4%. For the rental CMA, the estimate is currently 93.6%. Noteworthy observations include the following:

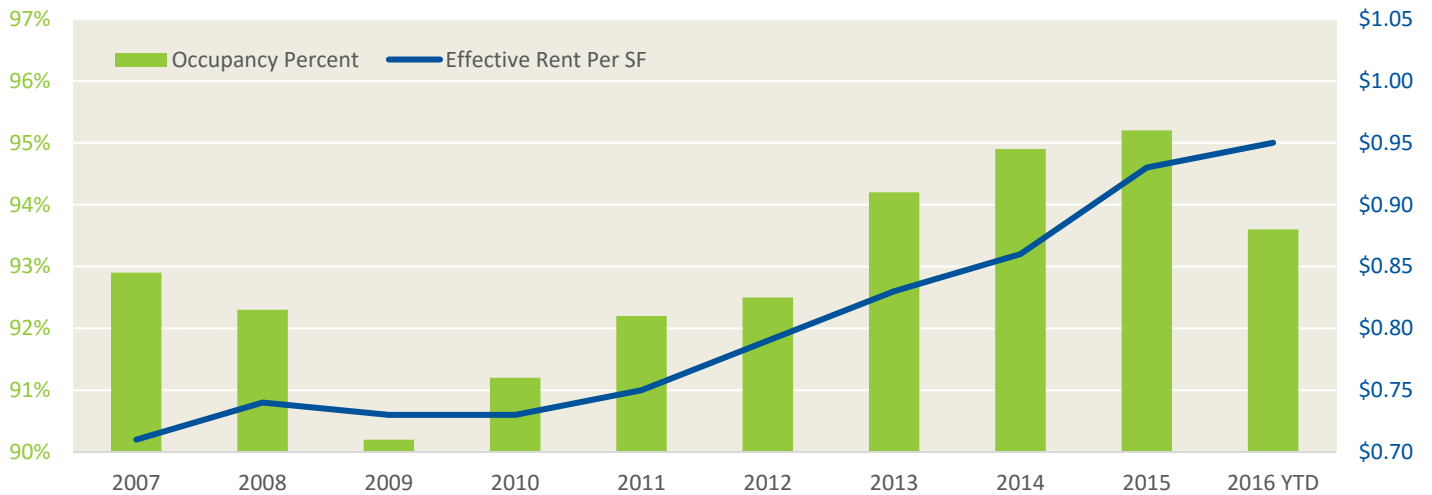
- Occupancies took a dip in the primary CMA in 2012, despite no change in total inventory over previous years (this could be an error in the data). Occupancies have been trending up since then, due in part to the loss of 2 complexes and roughly 300 units in 2013 and 2014. Around that many units were introduced back into the primary CMA in 2015. Currently, the occupancy rate for all identified complexes in the CMA is higher than it has been in the last ten years.
- Occupancies in the rental CMA bottomed out in 2009 but have been recovering. This year, the estimated occupancy rate is down from last year, but still relatively high given the age and quality of the majority of complexes in the rental CMA.
- Overall supply has changed slightly in the last ten years in the rental CMA. Roughly two thousand units have been added over that time period, accounting for 4% of the total number of units in the identified complexes.
- The effective rent in both CMAs has climbed upward over the last ten years, a phenomenon familiar in many other parts of Houston. In the primary CMA, rent has increased from \$0.75 per SF to \$0.99 per SF from 2007 to 2016, a 32% increase. In the rental CMA, rent has increased from \$0.71 per SF to \$0.95 per SF from 2007 to 2016, a 34% increase. The effective rent is true rent considering rental concessions, spread over the life of the lease.
- Despite the softening of rental markets in other parts of the Houston area, occupancies and rents have remained high since the drop in oil prices. Both CMAs have seen year over year increases in the average effective renter per SF from 2014 to 2016 YTD.

Figure 40: Occupancy and Effective Rent per SF in the Primary CMA, 2007 to 2016



Source: CoStar, CDS Community Development Strategies

Figure 41: Occupancy and Effective Rent per SF in the Rental CMA, 2007 to 2016



Source: CoStar, CDS Community Development Strategies

Layout and Pricing

Market data from another dataset provides layout and pricing information for an area covering the rental CMA (southeast Houston). One bedroom units make up 50% of the units in identified complexes, while two bedroom units make up 39%. Zero bedroom units (studios), three bedroom units, and four bedroom units make up the remainder of units at roughly 11% of the market. Other noteworthy observations include the following:

- Class A units in southeast Houston are average \$1.23 per SF, higher than some might expect. Class B units are also doing well at \$0.93 per SF, speaking to the high demand of complexes located conveniently near Downtown and the medical center.
- The rental rates displayed below are estimated for market rate apartments. Affordable housing rental rates can vary considerably based on the needs and qualifications of the tenant and his/her household.

Table 21: Layout and Pricing of Multifamily Units in an Area Covering the Rental CMA

Category / Class	A	B	C	D	Overall
Complex Layout					
OBR Share of Total	0.1%	0.1%	0.8%	0.0%	1.1%
1BR Share of Total	7.8%	18.8%	21.6%	1.9%	50.1%
2 BR Share of Total	5.3%	16.8%	15.4%	1.4%	39.1%
3 BR Share of Total	0.6%	4.5%	2.4%	0.4%	8.0%
4 BR Share of Total	N/A	1.1%	0.6%	0.0%	1.7%
Avg Units per Project	271	219	161	96	188
Avg SF	930	870	765	829	833
Rental Rates					
Avg Market Rent/SF	\$1.23	\$0.93	\$0.85	\$0.83	\$0.93
Avg Market Rent/SF OBR	\$1.79	\$1.50	\$1.06	\$1.28	\$1.20
Avg Market Rent/SF 1BR	\$1.33	\$1.01	\$0.91	\$0.84	\$1.01
Avg Market Rent/SF 2BR	\$1.16	\$0.89	\$0.81	\$0.83	\$0.89
Avg Market Rent/SF 3BR	\$1.15	\$0.83	\$0.84	\$0.83	\$0.86
Avg Market Rent/SF 4BR	N/A	\$0.81	\$0.92	\$0.78	\$0.84

Source: Enriched Data, CDS Community Development Strategies

Note: Submarkets include Inner Loop East, San Jacinto/Galena Park, Hwy 288/Almeda, Gulf Freeway

Under Construction and Proposed Complexes

Over the next two years, an estimated 1,150 new units could be added to the primary CMA, accounting for roughly 16% of the existing total units. Given that the net change in total unit number from 2007 to 2016 has not been more than 100 units, this will have a significant impact on the existing multifamily market. Market rate units open to all will account for 500 units, market rate student units will number 550, and one complex, the Trails at Palm Center, will be affordable housing. While the majority of these properties are proposed as class A (including the affordable housing complex which is rare), they will still have an impact on affordability adding to the overall supply of rentals in the area and alleviating some of the current pressure that has kept rents on the rise despite local economic challenges.

Table 22: Under Construction and Proposed Complexes in the Primary CMA

Building Name	Building Address	Building Status	Class	Units	Complete	Rent Type	Market
Aspen Heights	4917 Martin Luther King Jr Blvd	Under Construction	A	150	2018	Market	Student
Village at Palm Center	5110 Griggs Rd	Under Construction	A	222	2016	Market/Affordable	All
La Mariposa II	140 Winkler Dr	Under Construction	B	78	2017	Market	All
Trails at Palm Center	5635 Martin Luther King Jr Blvd	Proposed	A	100	2017	Affordable	All
The Icon Premier Residences	Elgin St	Proposed	A	400	2018	Market	Student
Lofts at Spanish Trails	4320 Old Spanish Trail	Proposed	A	200	2017	Market	All

Source: CoStar, CDS Community Development Strategies

Figure 42: New Multifamily Complexes in the Primary CMA



From top left, clockwise: Trails at Palm Center, Aspen Heights, Icon Premier, La Mariposa, Village at Palm Center

Source: www.studenthousingbusiness.com, www.houstonarchitecture.com, Houston Chronicle

Table 23: Additional Under Construction and Proposed Complexes in the Rental CMA

Building Name	Building Address	Building Status	Class	Units	Complete	Rent Type	Market
Gateway on Cullen	1901 Cullen Blvd	Under Construction	A	191	2017	Market	Student
NHH Harrisburg	3301 Harrisburg Blvd	Under Construction	B	175	2017	Affordable	All
The Oaks at Wayside	6502 Jamail Dr	Under Construction	B	60	2016	Market	All
Sampson Lofts	800 Sampson St	Under Construction	B	90	2017	Market	All
Cypress Creek at Wayside Drive	14220 S Wayside Dr	Under Construction	A	200	2017	Market	All
Fenix Estates	2100-2121 Hussion St	Proposed	B	200	2019	Affordable	All
City View Terrace	2616 Clay St	Proposed	A	336	2018	Market	All

Source: CoStar, CDS Community Development Strategies

In addition to the units being added in the primary CMA, the other areas of the rental CMA have 1,252 units under construction and proposed. The result is a possible 2,402 units over the next two to three years. This would account for 4.2% of the current total.

Single Family Rentals

According to Census based estimates, of the 26,689 estimated total housing units in the primary CMA, 13,396 are currently renter occupied households. Of that amount, 9,291 are estimated to be in multifamily structures (2 to 50+ unit structures). The remaining 4,105 are estimated to be single family rentals. This amounts to an estimated 31% of all rentals in the primary CMA. This is roughly the same as the other CMAs. Of the total occupied single family units in the primary CMA, 32% are estimated to be rentals. In other words, one in every three single family homes in the primary CMA is being rented. This is nearly double the rate of the single family CMA—where the overall rate of owner occupied units is considerably higher. Note, for the sake of this estimate, the vacancy rate is assumed the same regardless of whether the units are single family or multifamily.

Table 24: Single Family Rental Estimates for the CMAs

Single Family Rentals	Primary CMA	Rental CMA	Single Family CMA
Total Renter Households	13,396	86,170	133,480
Occupied Multifamily Units	9,291	62,628	93,586
Multifamily % of All Rentals	69%	73%	70%
Occupied Single Family Rentals	4,105	23,542	39,894
Single Family % of All Rentals	31%	27%	30%
Occupied Single Family Units	12,931	113,379	247,140
% of Single Family Units that are Rented	32%	21%	16%

Source: US Census, American Community Survey, PCensus

Alternative Housing Options

In addition to market rate and affordable housing which focuses on major market segments, there are other housing alternatives. This section examines the presence of transitional living, assisted living, and senior living facilities that are present in the primary CMA. These types of alternative housing options are often challenging to manage and are not always profitable. Because of this, many of these facilities are often subsidized directly or indirectly through several different funding types or tax abatements.

Transitional Living

Transitional living refers to any type of living situation that is temporary—particularly for vulnerable populations. The primary purpose or mission of transitional living environments is to help the resident become a productive member of society. Transitional living facilities often offer low cost or no cost housing. Transitional living residents that cater to those recovering from economic hardship often graduate from a shelter to lesser crowded living situation. Transitional Living may or may not have other common threads among residents. Transitional living provides professional support, education, and a stable living environment. Common types of transitional living include transitioning from jail or prison, an addiction treatment center or a mental health facility. Transitional living is provided by many well-known private and nonprofit organizations, by government, churches and other charitable organizations. The following facilities are located in or near the primary CMA:

- New Hope Housing:** This organization has one location in the primary CMA on Perry St, and another facility just outside the primary CMA at Brays Crossing. The Perry St location has 160 fully furnished efficiency units. The Brays Crossing location has 149 fully furnished efficiency units. Residency at both facilities is restricted based on income and single household status. Rental rates are between \$455 and \$684 per month. With these

two facilities and others throughout the Houston area, New Hope Housing focuses on providing Permanent Supportive Housing (PSH), which they define as multifamily apartment housing with both rental subsidies and vital support services on site.

- **Madge Bush Transitional Living Center:** This facility is located at Sampson St and Tuam St and is a 16-unit 1-bedroom apartment complex for homeless single women with 1-2 children in their custody. Tenants are required to participate in the on-site life skills classes, attend school to earn a license or certification which can be completed within the first six months, work at least part-time, save 30% of their earnings, and meet with the case manager once a week.
- **Shamar Hope Haven Residential Treatment Center:** This organization provides residential treatment housing focused on male youth between the ages of 10 and 17. There are two locations, on Wheeler Ave and the other on Truxillo St. Acceptance of an applicant is based on an assessment of the child's psychological state, social history, medical history, and any other relevant information. The total capacity of this facility is 22 youth.
- **Star of Hope - Transitional Living Center:** This facility is a religious based institution providing many services for the homeless and at-risk population. Housing is providing for women and their children who are in an emergency situation or who are looking for longer term transitional living.
- **Temenos Community Development Corporation:** This organization administers two facilities located just outside the primary CMA near the instate, the Knowles-Temenos Place apartments and Temenos Place II apartments. The first provides affordable permanent housing to 43 single individuals in efficiency-style apartments. The second was recently completed in late 2015 and is a rent subsidized facility providing 80 housing units for homeless and extremely low income individuals. Both facilities provide residents access to supportive services, including but not limited to, job searching and preparation skills, educational classes, budgeting, nutrition and case management services.

Figure 43: Images of the Newly Constructed Temenos Place II Apartments



Source: Google Street View, CDS Community Development Strategies

Assisted Living

Assisted living facilities may be called by different names, but typically include tenants who need some level of medical care (including skilled nursing for bed bound tenants). While pricing for assisted living facilities can vary widely depending on what medical services are required, or whether a single or shared room is selected, the range usually runs between \$2,000 to \$4,000 per month. According to a 2015 survey, the median cost in Texas for one

room (single occupancy) was \$3,545 per month. Additional costs usually include fees for private transportation, off-site activities, and other services. While there are assisted living facilities in other nearby parts of Houston, no major assisted living facilities were identified in the primary CMA.

Senior Living

As stated previously, only 398 units were identified as senior housing in the primary CMA, with 49 market rate and the rest affordable or mixed market rate/affordable. Interviews with staff at multiple facilities confirmed that occupancies are high and this housing type is in limited supply and high demand for the area.

Table 25: Senior Living Apartments in the Primary CMA

Building Name	Building Address	Units	Class	Rent Type	Year Built	Occupancy
Zion Village Senior Apartments	3154 Gray St	50	B	Affordable	2008	98%
Dynasty	3501 N Macgregor Way	96	C	Market/Affordable	1970	100%
Beall Village	4463 N Macgregor Way	78	B	Market/Affordable	1959	97%
South Union Place Apartments	7210 Scott St	125	B	Market/Affordable	2005	100%
Grand Park Terrace Apartments	4714 Ward St	24	B	Market	1958	96%
The Yellowstone Apartments	4706 Yellowstone Blvd	25	C	Market	1955	96%

Source: CoStar, CDS Community Development Strategies

Figure 44: Images of Senior Living Apartments in the Primary CMA



Source: Google Street View, Apartments.com, CDS Community Development Strategies

CONCLUSIONS AND RECOMMENDATIONS

This section contains the conclusions and recommendations for the primary CMA, specifically examining the potential for new single family home development and multifamily development. As a reminder, the primary CMA and Southeast Houston are synonymous in meaning.

Interviews with Development Partners, Community Stakeholders, and Community Members

These conclusions and recommendations were formulated by consulting the data contained in this report as well as interviews with realtors, property managers, developers, local government staff, community members, and other stakeholders. In depth interviews were conducted throughout the research process for this study, including at the outset with multiple MRA development partners and MRA recommended community stakeholders. In addition, as research pointed to specific real estate listings and apartment complexes, several realtors and property managers were contacted, sometimes to clarify minor points, and sometimes for lengthy interviews. CDS would like to thank all of the individuals and organizations that participated; their insight and perspective was vital to providing the recommendations contained in this section.

Single Family Housing

Quantifying Demand

At the current rate of growth, the primary CMA is estimated to add 2,839 residents over the next 5 years from 2016 to 2021. Dividing this number by the existing persons per household number for the primary CMA results in an estimated 1,109 new households. Assuming these new households reflect the current demographics of existing households, an estimated 69% would make under \$50K. If one third of these households could be accommodated in owner occupied housing, there would be a need for roughly 250 additional homes in the primary CMA over the next 5 years, or 50 annually. This is almost certainly an underestimate given the pent up demand of current rental households who have been looking to purchase a home in the area but have not had the opportunity given the lack of supply within reach of their purchasing power.

There is Significant Demand for Affordable Single Family Homes in the Primary CMA

As presented in this study, all the MLS real estate indicators point to high demand for housing in the \$100K to \$250K price range in the primary and single family CMAs. Perhaps the most striking indicator, the median days on market is currently at 19 days for the primary CMA and 12 days for the single family CMA. As interviews with realtors in the area confirmed, affordable re-sale homes with minimal needed repairs are quickly sold, often times receiving multiple offers within a few days. As for new single family homes in the primary CMA, supply has been extremely limited.

If a household has been willing to move out of the primary CMA and into the single family CMA, the supply of new homes in under \$250K has been less of an issue. However, the largest volume developments which offer new homes under \$250K have moved farther and farther south from central Houston. While this may have been a more acceptable option in previous years, several of those interviewed have noted that traffic along the major southern routes, such as Hwy 288, have become extremely congested during commuting hours (with limited alternative options such as tollways or easily accessible park and rides). This has led some households to reevaluate their concerns with living in or near Southeast Houston.

One of those concerns has historically been the schools, especially with households that have young children. However, according to those interviewed, this is not as big an issue as it has been in the past. While some households are still worried about the reputation of HISD, others desire to locate in the area *because of HISD*, particularly the specialized programs and magnet school options such as the Baylor College of Medicine Academy and the High School for Law and Justice.

Challenges to Affordability

While there have been new homes built in the primary CMA for under \$250K in recent years, they have been few in number. According to interviews with developers, the cost of construction has increased significantly in recent years as the price of materials and labor has increased dramatically. But for those working inside the Loop, the largest challenge to building affordable homes has been the price and availability of land. The MRA’s program to take the land cost component away has been received positively by the partnering developers interviewed. This will bring new affordable for-sale housing supply into the primary CMA and allow the developers to do so profitably. However, it must be understood that developers are still constrained on price, reaching construction costs ranging from \$80 to \$100 per square foot. One of the factors that can critically affect this calculation is the size of the lot and the scale of the project.

The Affordability Gap

One way to better understand the challenges to affordability is to examine the affordability gap. The following table provides an example of the gap between the cost of housing in the Houston area and what economically challenged households can afford. This example looks at what a household of four in the Houston area could afford based on three levels of income: 40% of the average median income (AMI), 60% AMI, and 80% AMI. In the Houston area, the AMI for a household of four in 2017 has been calculated by HUD as \$69,200.

Table 26: The Affordability Gap between Household Incomes and Housing Costs in the Houston Area

Square Foot (SqFt.) Size of House	Affordable Monthly Payment (30% of Income)	3.5% Down Payment	Lot Cost (5,000 SqFt x \$25/SqFt)	Construct. Cost (\$80/SqFt)	Total Cost of House	Amount Household Can Afford	Affordability Gap
Households Earning 40% of the Average Median Income							
340 SqFt	\$692	\$5,419	\$125,000	\$29,842	\$154,842	\$154,842	\$0
1,850 SqFt	\$692	\$5,419	\$125,000	\$162,800	\$287,800	\$154,842	-\$132,958
Households Earning 60% of the Average Median Income							
1,220 SqFt	\$1,038	\$8,129	\$125,000	\$107,263	\$232,263	\$232,263	\$0
1,850 SqFt	\$1,038	\$8,129	\$125,000	\$162,800	\$287,800	\$232,263	-\$55,537
Households Earning 80% of the Average Median Income							
2,100 SqFt	\$1,384	\$10,839	\$125,000	\$184,684	\$309,684	\$309,684	\$0
1,850 SqFt	\$1,384	\$10,839	\$125,000	\$162,800	\$287,800	\$309,684	+\$21,884

Notes: AMI's are based on 4 person households. See: <https://affordablehousingonline.com/housing-search/Texas/Houston#ami>

Construction costs include 10% profit margin for the homebuilder/developer.

For each income level being examined, the first line demonstrates the maximum size of a home that can be afforded based on assumptions of a home purchase being financed with an FHA loan and conservative land/construction costs in the Houston area. The second line demonstrates what a typical 3-bedroom, 2-bathroom

1,850 square foot (SqFt) home would cost for the same household. The last column displays the gap between the amount the household can afford and the total cost of the house in question.

For a household of four earning 64% or 40% AMI, a typical 1,850 SqFt home on a small lot is clearly unattainable. While the same home appears attainable for a household of four earning 80% AMI (and above), it is important to consider that many households often have debt in the form of car payments, students loans, and other financial obligations which decrease the amount of home (the total cost) that can be financed. Also consider that for a household containing fewer than four individuals, the AMI is lower, which effectively widens the gap between what the household can afford and what a typical home in the Houston area currently costs.

Phased Development and Bulk Purchasing

Based on interviews with partnering developers, and based on available information, it appears the MRA is currently approaching the development of new affordable for-sale housing project by project. It is recommended that the MRA consider a more strategic, long term approach. This is not meant as a criticism of the current process, which CDS understands can be complex and challenging. But larger scale planning and more coordinated partnering may allow the MRA to organize a bulk purchasing plan for materials between developers that would allow several relatively small developments to have an economy of scale, and ultimately provide a beneficial cost savings. This could also involve a coordinated marketing campaign which would allow potential homebuyers to be identified and begin the application process earlier. To make this work, it would be essential to have a multi-year plan of inventory with the possibility of continual absorption. The benefit to the developer/homebuilder is that their inventory would move faster—adding an additional savings in financing costs.

Consider Partnering with Additional Homebuilders/Developers

To a large extent, homebuilders and developers make the decision about where to locate housing. How they decide to build in one location versus another can often be a complicated process which considers many factors such as the perceived demand in certain locations, availability of land, the price of land, infrastructure, the cost of development, regulations, the availability of financing, and other factors. But no matter how complicated the process may be, usually it starts with what the homebuilder is familiar with. CDS reached out to multiple homebuilders/developers at a recent citywide event and although some were familiar with the MRA in general, none were aware of the amount of land the MRA owned in the primary CMA and the desire to begin developing that land for affordable for-sale housing. It is recommended that the MRA consider reaching out to and partnering with additional homebuilders/developers who may bring a unique perspective and product to the table. An event such as a mobile open house that toured several of the MRA's lots in the primary CMA would create publicity and interest in the MRA's mission, and inform additional Houston area homebuilders/developers on the possibility of partnering.

Working with the Houston Homebuyer Assistance Program

The City of Houston currently has two financial assistance programs for homebuyers, the Homebuyer Assistance Program and the Workforce Housing Down-payment Assistance Program. These programs have been utilized with great success in the past, including for homes in the primary CMA. The Homebuyer Assistance Program (HAP) provides financial assistance to qualified low to moderate income first-time homebuyers purchasing within City limits. The low to moderate income qualification is based on a household income at or below 80% of the City's

median income, and is adjusted upward based on the number of individuals within the household. The HAP is designed to provide financial assistance to help offset costs associated with purchasing a home, including closing costs, down payment, and loan origination. The amount of HAP financial assistance is based upon the applicant's need, ability to obtain a mortgage loan, and the applicant's ability to meet the program guidelines.

The Workforce Housing Down-payment Assistance Program (WHDAP) is similar to the HAP, but was created specifically to expand the supply of decent, safe, sanitary, and affordable housing and to increase homeownership opportunities for income-eligible residents *within specific neighborhoods* in City limits. To qualify for this program household income must be at or below 110% of the City's median income. In addition, the applicant must purchase a newly constructed residential property, whereas the HAP covers both new and pre-owned residential properties. The following structures are approved for HAP: Single-family property (detached and attached 1-4 units), Condominium unit/Townhouse, Modular home/Manufactured home, Cooperative unit.

Multiple Ownership Models

While it is recommended that for-sale homes remain the focus of MRA's single family development efforts, it is also recommended that the MRA consider retaining a number of the homes as single family rentals. Because of the unique educational opportunities in the primary CMA (both secondary and post-secondary), as well as its close proximity to the medical center (for those needing short term and long term care), there is strong demand for single family rentals for individuals who want to live in single family housing but do not intend to stay long enough to make buying a home feasible. According to realtors interviewed, single family rentals managed for low income families would be a unique and highly welcomed product. While single family rentals can be found in the primary CMA, management and quality vary considerably.

A related ownership model which could be utilized on a select number of properties would be an affordable housing rent-to-own program. Such a program would still select tenants based on income in accordance with Low-Income Housing Tax Credit (LIHTC) program guidelines, but allow for a rental period before ownership is a possibility. This creates an opportunity for certain low income households who are not currently in a financial situation to purchase a home but have the means to pay rent. In Milwaukee, a partnership between a community development financial institution and a community development corporation developed a rent-to-own program for renovated residential homes in a neglected part of the city. The program manages the rental units for 15 years, then at the end of the rental period each tenant who decides to purchase the home will receive a credit of approximately \$36,000 to be used for the down payment. To prepare tenants to own a home, the partnership will sponsor annual home buying classes provided by local banks and other local service providers. The City of Houston Housing Authority has a Project Based Voucher Program and RFP currently that would almost duplicate the Milwaukee program. HHA could provide over 700 PBV for MRA land which would meet the long term single family rental needs of the community and allow MRA to prevent even more significant and immediate gentrification.

Multifamily Housing

Quantifying Demand

At the current rate of growth, the primary CMA is estimated to add 2,839 residents over the next 5 years from 2016 to 2021. Utilizing the current persons per household for the primary CMA, this would result in an estimated 1,109 households. Assuming these new households reflect the current demographics of existing households, an estimated 69% would make under \$50K. If two thirds of these households were accommodated in renter occupied housing, there would be a need for roughly 500 additional rental units in the primary CMA over the next 5 years, or 100 annually.

Development of Large-Scale Complexes in the Near Term Not Recommended

As stated previously, over the next two years, as many as 1,150 new units will be added to the primary CMA, which—if all built—could account for roughly 16% of the existing total units. Given that the net change in total unit number from 2007 to 2016 has not been more than 100 units, this will have a significant impact on the existing multifamily market. The vast majority of these new units will be class A, higher rent units, with 500 planned as market rate and 550 planned as student housing. While this will draw in new, higher income households from outside the primary CMA, it will also pull households from other complexes in the primary CMA who are looking to upgrade to a newer or higher quality apartment. This will also be the case for the student housing. As part of this study, property managers of several of the largest complexes in the primary CMA were interviewed. All of the market rate complexes contacted stated that their tenants include students. Not only will vacancies increase in the short term, but increases on rent will be expected to slow or stop. As demonstrated previously, in the primary CMA the lack of a significant change in supply over the last ten years combined with rising occupancy rates has resulted in rising rents for the last 7 years straight. This new supply will help alleviate pressure on older and lower quality class B and C complexes, and the halted rent increases will be a welcome respite for lower income households. Because of this potential new supply, it is recommended that the MRA closely monitor the supply of new large-scale multifamily rental units before planning a new project. It is recommended that the MRA wait until the rental market in the primary CMA area has stabilized and a better evaluation of demand can be determined.

Another reason to postpone any near term plans for large-scale multifamily rentals is related to the tightening of the LIHTC market. Due to the diminished funding for the LIHTC program, fewer tax credit applications have been approved this year. Because of this, it may be harder in the near term to find a multifamily development partner that is willing to invest in the planning and LIHTC application process with a greater risk of rejection (a popular vehicle for the development of affordable multifamily housing). With that said, there are efforts underway to increase funding for the LIHTC program, so this may change. In addition, following a federal judge's 2012 ruling that Texas' concentration of LIHTC units in Dallas violated disparate impact, the State has demonstrated a greater propensity to award funds for project placed in areas without a significant presence of affordable housing, rather than in areas like Southeast Houston, where affordable housing units make up roughly 30% of the multifamily housing stock. With that said, housing advocates have shown willingness to support affordable multifamily in areas shown to be subject to gentrification in the near future and with a general community development plan.

It is recommended that the MRA not pursue the development of transitional living facilities. As stated in the main body of this report, transitional living refers to any type of living situation that is temporary—particularly for vulnerable populations. At this time, the community needs for these facilities are being met by specialized

organizations with more expertise in this complex housing type—the success of which hinges more on the management of the facility than its construction.

It also recommended that the MRA not pursue the development of assisted living facilities. Assisted living facilities located in this area would not be expected to be feasible without a large subsidy. The operational costs would be too high for the nature of the revenue received (principally Medicare / Medicaid). However, if approached by an organization that specializes in providing subsidized assisted living care, the MRA should consider the donation of property for a facility, given that the primary CMA does not have one of significant size. Beyond land donation, it is recommended that the MRA have a minimal role. If an arrangement like this is pursued, obtaining a responsible operator would be critical to the success of the project.

The MRA Has a Unique Opportunity to Develop Low Density Affordable Multifamily Structures

Rather than focusing on large-scale rental complexes, the MRA has an opportunity to provide a product that is rarely provided for in the modern residential landscape: low density affordable multifamily structures. What is considered low density multifamily can vary by definition, but it is generally a residential structure with 10 or fewer units. It is recommended that the MRA echo projects like the 15, 2-unit structures built near Napoleon and Tuam in the Third Ward. With low density affordable multifamily structures, the MRA could serve multiple populations, including older households looking for senior living. The following points should be considered:

- With these multifamily structures, as with the single family development, the ownership models can vary. They could be setup as condo style developments where the land is held in common and the condos are privately owned. Or ownership could be retained by the MRA or another organization and the units could be rented. They could be setup as townhomes where the land and unit is individually owned, but the structure shares walls (such as row homes). Owner occupied multifamily structures could also be built. To maintain affordability and be built for under \$250K, these would likely be small 2-unit structures on single infill lots. This would have the added benefit of creating locally managed rental spaces where the rental income is spent in the community.
- Providing a strategic mix of variable size (with variable ownership models) multifamily structures would reflect the diversity and non-traditional household demographics of the primary CMA; such as the higher number of nonfamily households, single parent households, and multigenerational households. It would create smaller affordable rental spaces that still fit within the community—as opposed to big affordable housing complexes which fill a sometimes desperate need, but which sometimes have a large impact on the existing look, feel, and culture of the local community. While determining the exact mix of structures to be built would depend on several factors (such as the size of the lot and the character of the street) it is recommended that the MRA explore a range of larger 4-plex, 6-plex, 8-plex, 10-plex structures as well as smaller two unit and duplex structures.
- Where attempting to build non-conventional residential structures in many cities would be challenging, in the City of Houston these non-conventional residential structures are not restricted by zoning or law. And, not only are they legal, but the Houston homebuyer assistance program specifically states that these types of structures can be approved for loan assistance. Because of Houston’s unique lack of zoning, another possibility for the MRA is to build some properties as single family structures with small (even micro) accessory units (over the garage or separate rear-of-lot structure). Many cities are finding these “mother in law apartments” or “granny flats” can go a long way towards helping maintain affordable spaces that are integrated into a

community (rather than relegated in large complexes to certain parts of town). In some cities, most notably Seattle and LA, it has been challenging to alter regulations to allow such units in single family areas. The fact that the MRA is operating in Houston presents a real opportunity to provide affordable housing options with non-conventional residential structures.

Figure 45: MRA Duplexes Located near Napoleon and Tuam in the Third Ward



Source: CDS Community Development Strategy

- The proximity and quality of alternative transportation choices in the primary CMA—such as the new METRORail Southeast line—should make transit oriented development a priority for the MRA. Low density multifamily structures developed near transit stations would also make a great opportunity for seniors—who often require non-auto transportation options. With the high demand for senior housing in the primary CMA, the MRA could build any type of senior living facility and it would be expected to maintain high occupancy. However, rather than building one or two large senior living structures and concentrating the elderly in one location, the MRA could mix senior housing into some or all of the multifamily structures that are developed. This could be accomplished by reserving the ground floors on these structures for seniors. This would provide for a more integrated rental population, where old and young can interact—creating a benefit for both.
- In interviews with homebuilders/developers regarding the feasibility of this residential product type, it was noted that to maintain affordability the same challenges as building single family homes on MRA property would apply. Therefore, the possible remedies discussed for single family structures would also apply here.

APPENDIX A:

Aggregate Single Family Detached Home Sale Data - \$100K to \$250K Price Range

The following tables contain aggregate data for existing single family detached homes sold in the \$100K to \$250K price range for the primary and single family CMAs.

Table 27: Aggregate Detached Home Sale Data for the Primary CMA - \$100K to \$250K Price Range

Year	# Sold	SqFt	List Price \$	Sale Price \$	SP/SqFt	SP/LP %	DOM	Year Built
2010	38	1,933	\$139,200	\$134,950	\$71	98%	57	1945
2011	54	2,067	\$144,750	\$133,000	\$72	96%	63	1950
2012	39	2,134	\$169,900	\$160,000	\$82	95%	83	1950
2013	83	2,030	\$169,000	\$160,000	\$88	99%	22	1945
2014	118	1,793	\$160,000	\$150,000	\$88	97%	30	1946
2015	101	1,570	\$169,000	\$162,000	\$98	96%	19	1948
2016 YTD	73	1,526	\$175,000	\$160,000	\$103	98%	19	1950

Source: Multiple Listing Service, CDS Community Development Strategies, 2016 YTD includes data to September

Note: SP = Sale Price, LP = List Price, DOM = Days On the Market

Table 28: Aggregate Detached Home Sale Data for the Single Family CMA - \$100K to \$250K Price Range

Year	# Sold	SqFt	List Price \$	Sale Price \$	SP/SqFt	SP/LP %	DOM	Year Built
2010	2,622	2,051	\$154,700	\$149,500	\$74	98%	48	2000
2011	2,592	2,153	\$156,393	\$151,606	\$72	97%	66	2002
2012	3,004	2,151	\$159,990	\$157,000	\$74	98%	45	2002
2013	3,703	2,078	\$160,000	\$158,065	\$77	98%	28	2000
2014	3,928	1,964	\$159,900	\$158,000	\$82	99%	17	1998
2015	3,902	1,881	\$164,990	\$161,000	\$88	100%	12	1992
2016 YTD	2,797	1,843	\$169,000	\$166,000	\$93	100%	12	1989

Source: Multiple Listing Service, CDS Community Development Strategies, 2016 YTD includes data to September

Note: SP = Sale Price, LP = List Price, DOM = Days On the Market

Aggregate Single Family Detached Home Sale Data - All Price Ranges

The following tables contain aggregate data for existing single family detached homes sold in all price ranges for the primary and single family CMAs.

Table 29: Aggregate Detached Home Sale Data for the Primary CMA - All Price Ranges

Year	# Sold	SqFt	List Price \$	Sale Price \$	SP/SqFt	SP/LP %	DOM	Year Built
2010	182	1,424	\$69,450	\$65,000	\$43	95%	45	1948
2011	179	1,673	\$79,900	\$72,500	\$44	95%	60	1950
2012	188	1,539	\$75,000	\$73,850	\$47	96%	57	1950
2013	266	1,620	\$99,850	\$95,000	\$61	97%	29	1949
2014	360	1,771	\$149,950	\$145,998	\$82	98%	24	1950
2015	301	1,589	\$160,000	\$149,000	\$91	97%	25	1950
2016 YTD	207	1,576	\$175,000	\$160,000	\$102	98%	21	1950

Source: Multiple Listing Service, CDS Community Development Strategies, 2016 YTD includes data to September

Note: SP = Sale Price, LP = List Price, DOM = Days On the Market

Table 30: Aggregate Detached Home Sale Data for the Single Family CMA - All Price Ranges

Year	# Sold	SqFt	List Price \$	Sale Price \$	SP/SqFt	SP/LP %	DOM	Year Built
2010	4,947	1,800	\$121,500	\$119,500	\$66	98%	44	1986
2011	5,193	1,850	\$119,900	\$115,000	\$62	97%	59	1991
2012	5,710	1,886	\$127,500	\$124,169	\$65	98%	42	1991
2013	6,437	1,918	\$140,000	\$138,000	\$72	98%	30	1992
2014	6,764	1,911	\$154,000	\$150,000	\$80	99%	20	1992
2015	6,613	1,915	\$169,400	\$165,000	\$88	99%	16	1991
2016 YTD	4,748	1,936	\$179,900	\$177,700	\$94	99%	15	1992

Source: Multiple Listing Service, CDS Community Development Strategies, 2016 YTD includes data to September

Note: SP = Sale Price, LP = List Price, DOM = Days On the Market

Aggregate Townhome/Condo Sale Data - All Price Ranges

The following tables contain aggregate data for townhomes/condos sold in the \$100K to \$250K price range and for all price ranges, for the primary CMA.

Table 31: Aggregate Townhome/Condo Sale Data for the Primary CMA - \$100K to \$250K Price Range

Year	# Sold	SqFt	List Price \$	Sale Price \$	SP/SqFt	SP/LP %	DOM	Year Built
2010	29	1,754	\$159,900	\$150,000	\$97	98%	85	2007
2011	25	1,940	\$168,900	\$168,000	\$89	98%	48	2006
2012	38	1,956	\$207,500	\$206,750	\$102	99%	41	2008
2013	41	1,723	\$193,050	\$194,000	\$103	100%	31	2007
2014	23	1,608	\$164,900	\$164,900	\$110	98%	29	2006
2015	23	1,237	\$142,900	\$141,900	\$113	100%	65	2009
2016 YTD	32	1,397	\$159,900	\$159,900	\$117	100%	70	2015

Source: Multiple Listing Service, CDS Community Development Strategies, 2016 YTD includes data to September

Note: SP = Sale Price, LP = List Price, DOM = Days On the Market

Table 32: Aggregate Townhome/Condo Sale Data for the Primary CMA – All Price Ranges

Year	# Sold	SqFt	List Price \$	Sale Price \$	SP/SqFt	SP/LP %	DOM	Year Built
2010	47	1,960	\$161,500	\$152,400	\$97	97%	85	2007
2011	29	1,940	\$168,900	\$168,000	\$89	98%	57	2006
2012	50	2,008	\$217,500	\$221,000	\$103	99%	41	2008
2013	58	1,754	\$214,500	\$217,000	\$107	100%	29	2007
2014	42	1,836	\$249,850	\$245,500	\$132	100%	19	2007
2015	50	1,890	\$262,500	\$267,500	\$136	100%	29	2009
2016 YTD	52	1,501	\$179,900	\$179,900	\$120	100%	53	2015

Source: Multiple Listing Service, CDS Community Development Strategies, 2016 YTD includes data to September

Note: SP = Sale Price, LP = List Price, DOM = Days On the Market

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